

Hawaii Public Housing Authority
State of Hawaii

IFB-CPO-2010-06

Invitation-For-Bids (IFB) to Furnish Custodial Services at
the Hawaii Public Housing Authority's Central Offices located
on the Island of Oahu

NOTE: If this Invitation for Bids was downloaded from the Hawaii Public Housing Authority's website, each interested bidder must complete the sign-in sheet and provide the necessary contact information to the listed IFB Coordinator to be notified of any changes. For your convenience, you may download the IFB Sign-In, complete and email, fax or mail to the IFB Coordinator. The HPHA shall not be responsible for any missing addenda, clarifications, attachments or other information regarding this IFB if a bid offer is submitted from an incomplete IFB.

Issued June 17, 2010



Notice to Bidders
(Chapter 103D, HRS)

INVITATION FOR BIDS (IFB) No. CPO-2010-06

Notice is hereby given that pursuant to Chapter §103D, Hawaii Revised Statutes, the Hawaii Public Housing Authority (HPHA), will be accepting sealed bids to **Furnish Custodial Services for the Hawaii Public Housing Authority's Central Offices located on the Island of Oahu.** The area of service consists of custodial services of the HPHA's Central Offices located at 1002 North School Street, Honolulu, Hawaii 96817.

The Invitation for Bids, Specifications, and Bid Offer may be picked up beginning Thursday, June 17, 2010 at the HPHA, 1002 North School Street, Building D – Contract and Procurement Office, Honolulu, Hawaii 96817 or downloaded at the HPHA website at: www.hpha.hawaii.gov.

The HPHA's Contract and Procurement Office will conduct a Pre-Bid Conference on Wednesday, June 23, 2010 at the HPHA – Building G Conference Room, 1002 North School Street, Honolulu, Hawaii 96817 at 9:00 a.m. Hawaii Standard Time (HST) with a site inspection to follow at approximately 10:15 a.m. HST. The HPHA strongly recommends that all interested bidders attend.

Sealed bids will be received at the HPHA, 1002 North School Street, Building D – Central Files until 10:00 a.m. July 7, 2010. Opening of bids will commence at 10:15 a.m. HST on Wednesday, July 7, 2010. The official time shall be that which is recorded on the time stamp clock of the HPHA for hand-delivered proposals. Deliveries by private mail services, such as Federal Express, shall be considered hand deliveries. All mail-in proposals delivered/postmarked by the United States Postal Service **must be received** no later than 10:00 a.m. HST on Wednesday, July 7, 2010.

The HPHA reserves the right to reject any or all bids and to accept the bids in whole or part in the best interest of the State. If you have any questions, please contact Rick Sogawa, IFB Coordinator at 832-6038.

HAWAII PUBLIC HOUSING AUTHORITY

Denise M. Wise
Executive Director



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Section 1

Administrative Overview

Section 1

Administrative Overview

I. Authority

The Hawaii State Legislature established the Hawaii Public Housing Authority (hereinafter “HPHA”) under Chapter 356D, Hawaii Revised Statutes (HRS). The HPHA consolidates all low income housing and homeless functions and is administratively attached to the Department of Human Services. The HPHA is a public body and a body corporate and politic of the State of Hawaii. The HPHA’s role is to address the housing needs of families in Hawaii.

This Invitation for Bids (IFB) is issued under the provisions of the Hawaii Revised Statutes, Chapter 103D, and the related administrative rules. Prospective bidders are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed bid by any prospective bidder shall constitute admission of such knowledge on the part of such prospective bidder.

II. IFB Organization

This IFB is organized into five (5) sections:

- Section 1 Administrative Overview – Provides interested bidders with an overview of the procurement process
- Section 2 Service Specifications – Provides interested bidders with a general description of the tasks to be performed, delineates the interested bidder responsibilities, and defines deliverables (as applicable)
- Section 3 Bid Proposal – Describes the required format and content for the bid
- Section 4 Bid Evaluation – Describes how the bids will be evaluated by the HPHA
- Section 5 Attachments

III. Contracting Office

The Contracting Office is responsible for overseeing the Contract resulting from this IFB. The Contracting Office is:

Hawaii Public Housing Authority
Contract and Procurement Office
1002 North School Street
Honolulu, Hawaii 96817

Telephone: (808) 832-6038

Fax: (808) 832-6039

For the purpose of this solicitation, the IFB Coordinator or his/her designated representative is listed below as the IFB Coordinator:

Rick Sogawa
Hawaii Public Housing Authority
1002 North School Street, Bldg D
Honolulu, Hawaii 96817

Telephone: (808) 832-6038
Email: rick.t.sogawa@hawaii.gov

Fax: (808) 832-6039

The office responsible for monitoring the services performed under the Contract is the Contract and Procurement Office (CPO). For the purpose of this solicitation, the Contract Administrator or his/her designated representative is listed below:

Rick Sogawa
Contract and Procurement Office
1002 North School Street, Bldg. D
Honolulu, Hawaii 96817

Telephone: (808) 832-6038

Any changes to the Contract Administrator or his/her designated representative shall be provided in writing to the Contractor. The HPHA reserves the right to make changes to the Contract Administrator and shall be responsible to notify the Contractor of any change.

IV. Procurement Timeline

<u>Activity</u>	<u>Scheduled Dates</u>
Public notice announcing IFB	June 15, 2010
Distribution of bid specs/bid offer form	June 15, 2010
Pre-Bid Conference	June 23, 2010
Site inspection period	June 23 – July 6, 2010
Bid submittal deadline	July 7, 2010
Bid Opening	July 7, 2010
Notice of award	July 2010
Contract execution	July 2010
Contract start date	August 1, 2010

The HPHA reserves the right to amend or revise the timetable, without prior written notice, when it is in the best interests of the State. The contract execution and start date are subject to the availability of funds. No services shall be provided prior to the execution of a Contract.

V. Pre-Bid Conference / Site Inspection

Interested bidders are strongly encouraged to attend an optional Pre-Bid Conference on Wednesday, June 23, 2010 at the HPHA – Building G Conference Room, 1002 North School Street, Honolulu, Hawaii 96817 from approximately 9:00 a.m. – 10:00 a.m. (HST). A site inspection will commence after the Pre-Bid Conference at approximately 10:15 a.m. (HST). Interested bidders unable to attend the site inspection may contact the IFB Coordinator for other arrangements during the stated site inspection period listed above.

Prior to submittal of the bid, interested bidders may inspect the project site to thoroughly familiarize themselves with existing conditions, and the extent and nature of work to be performed. No additional compensation will be allowed by reason of any misunderstanding or error regarding site conditions/layout or work to be performed.

Impromptu questions will be permitted at the Pre-Bid Conference and site inspection and spontaneous answers provided. Verbal responses provided at the Pre-Bid Conference and/or site inspection are only intended as general direction. Written, formal official responses to substantive questions will be provided in writing to each interested bidder set forth in paragraph VI herein below.

VI. Submission of Questions

Interested bidders may submit questions to the IFB Coordinator identified in Section III of this IFB. The deadline for submission of written questions is 4:30 p.m. HST, on June 28, 2010. All written questions will receive a written response from the HPHA. Electronic mail and facsimiles transmissions shall be accepted. The HPHA's responses to interested bidders' written questions will be sent via mail, electronic mail, or facsimile no later than June 30, 2010.

VII. Submission of Sealed Bid Offer

- A. **Forms/Formats** – The Bid Offer Form is attached at Section 5 of this IFB. See Attachment 2.

Interested bidders shall also follow the U.S. Department of Housing and Urban Development's Instructions to Offerors Non-Construction form HUD 5369-B and Certifications and Representations of Offers Non-Construction Contract, form HUD 5369-C. See Attachments 13 and 14.

- B. **Bid Submittal** - Sealed bids must be postmarked by United States Postal Service (USPS) or hand delivered by the date and time designated in the procurement timeline. Any bids post-marked or received after the designated date and time shall be rejected. All bids must be in the HPHA's possession by the submittal time deadline to be considered responsive. Note that postmarks must be by the

USPS or the bid will be considered hand-delivered and shall be rejected if late. **Electronic mail and facsimile transmissions of the Bid Offer Form shall not be accepted.**

The Bid Offer Form must be submitted in a sealed envelope and properly identified as a sealed bid in response to this IFB. Any bid documents not properly sealed or submitted via email or facsimile shall be automatically rejected. There shall be no exceptions to this requirement.

- C. Wages and Labor Law Compliance** – Prior to entering into a Contract in excess of \$25,000, the Successful Bidder shall certify that it complies with section 103-55, HRS, Wages, hours, and working conditions of employees of the Successful Bidder performing services. Section 103-55, HRS, provides that the services to be performed shall be performed by employees paid at wages not less than wages paid to public officers and employees for similar work. Interested bidders are further advised that in the event of an increase in wages for public employees performing similar work during the period of the Contract, the Contractor shall be obligated to provide wages not less than those increased wages.

Interested bidders shall complete and submit the attached Wage Certification certifying that the services required will be performed pursuant to section 103-55, HRS. See Attachment 1.

The Contractor shall be further obligated to notify their employees performing work under the resulting Contract of the provisions of section 103-55, HRS, and of the current wage rates for public employees performing similar work. The Contractor may meet this obligation by posting a notice to this effect in the Contractor's place of business in an area accessible to all employees.

- E. Confidential Information** – If an interested bidder believes that any portion of their bid contains information that should be withheld as confidential, the interested bidder shall request in writing nondisclosure of designated proprietary data to be confidential and provide justification to support confidentiality. Such data shall accompany the bid, be clearly marked, and shall be readily separable from the bid documents to facilitate eventual public inspection of the non-confidential sections of the bid documents. Note that price is not considered confidential and will not be withheld.

VIII. Discussion with Interested Bidders Prior to Bid Submission

Discussions may be conducted with potential bidders to promote understanding of the purchasing agency's requirements.

IX. Opening of Bids

Upon receipt of sealed bids by the HPHA at the designated location, bids, modifications

to bids, and withdrawals of bids shall be date-stamped, and when possible, time-stamped. All documents so received shall be held in a secure place by the state purchasing agency and shall not be examined for evaluation purposes until the submittal deadline.

Procurement files shall be open to public inspection **after a Contract has been awarded and executed by all parties.**

Sealed bids received by the due date and time shall be opened at the bid opening. All bids must be in the HPHA's possession by the submittal time deadline. Bid Opening will commence at 10:15 a.m. HST on Wednesday, July 7, 2010 at the HPHA, 1002 North School Street, Bldg D – Contract and Procurement Office, Honolulu, Hawaii 96817.

In the event that the HPHA has received a bid that was misplaced or mishandled, through no fault of the interested bidder, by the HPHA, the HPHA shall publicly open the bid as soon as possible and contact all prospective bidders to inform them of the additional bid and the bid price. Said bid shall only be opened if there is clear evidence that the bid was received by the HPHA by the posted due date, is in the possession of the HPHA, and that the document was not properly opened during the posted bid opening date and time due to the HPHA's failure to properly manage the bid document.

X. Additional Materials and Documentation

Bid samples or descriptive literature should not be submitted unless specifically requested within the technical specifications. Any unsolicited documentation, literature, samples, or brochures will not be examined or tested, and will not be deemed to vary any of the provisions of this IFB.

XI. IFB Amendments

The HPHA reserves the right to amend this IFB at any time prior to the closing date for the final revised bids or as allowed under section 3-122, Hawaii Administrative Rules (HAR). Interested bidders will be notified of all amendments through written communication which may include electronic mail, facsimile or United State Postal Service (hereinafter "USPS").

XII. Cancellation of the Invitation for Bids

The IFB may be canceled and any or all bids may be rejected in whole or in part at the HPHA's sole discretion when it is determined to be in the best interests of the State.

XIII. Costs for Bid Preparation and Verification

Any costs incurred by interested bidders in preparing or submitting a bid are the interested bidder's sole responsibility. Any costs incurred by the Successful Bidder prior to the execution of a Contract are not eligible for reimbursement.

Costs incurred in connection with the review, inspection and verification of information provided in the Bid Offer Form shall be the interested bidder's sole responsibility.

Interested bidders shall ensure that the HPHA is provided with the written authorization(s) necessary to verify information provided Bid Offer Form.

XIV. Mistakes in Bids

While interested bidders are bound by their bids, circumstances may arise where a correction or withdrawal of bids is proper. An obvious mistake in a bid may be corrected or withdrawn, or waived by the bidder to the extent that it is not contrary to the best interest of the purchasing agency or to the fair treatment of other interested bidders. Mistakes in bids shall be handled as provided for in section 3-122, HAR.

XV. Rejection of Bids

The HPHA reserves the right to consider as acceptable only those bids submitted in accordance with all requirements set forth in this IFB and which demonstrate an understanding of the service specifications. Any bid offering any other set of terms and conditions contradictory to those included in this IFB may be rejected without further notice.

A bid may be automatically rejected if it is:

1. Determined to be unreasonable in price, including not only the total price of the bid, but the prices for individual items as well; or
2. Materially unbalanced. A bid is materially unbalanced if there is a reasonable doubt that the bid would result in the lowest overall cost, even though it is the lowest bid, or the bid is so grossly unbalanced that its acceptance would be tantamount to allowing an advance payment. For example, such as bidding a very high price for the first item to be provided, and extremely low prices for subsequent items.)

XVI. Notice of Award

If made, an award shall be as follows:

1. Awarded to the responsible and responsive bidder submitting the lowest total bid price for all buildings indicated on the Bid Offer Forms. Interested bidders must submit a bid offer for each designated building/office space and for semi-annual cleaning services; and
2. In the case of a tie, the bid shall be awarded by the flip of a coin or some other random means of selection.

Any Contract arising out of this IFB is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, as required by statute, regulation, rule, order or other directive.

No work is to be undertaken by the successful Bidder prior to the contract commencement date. The HPHA is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Successful Bidder prior to the starting date.

Interested bidders shall produce documents to the procurement officer to demonstrate compliance with section 3-122-112, HAR, Responsibility of Bidder. The Successful Bidder(s) receiving award shall be required to enter into a formal written Contract. The general conditions of the Contract are attached and service specifications are included herein. See Attachment 10.

XVII. Protests

Pursuant to section 103-71, HRS, an actual or prospective bidder who is aggrieved in connection with the solicitation or award of a contract may submit a protest. An actual or prospective bidder may protest the solicitation or award of services only for a serious violation of procurement policies and operational procedures. Only the following matters may be protested:

- (1) A state purchasing agency's failure to follow procedures established by Chapter 103D of the Hawaii Revised Statutes; or
- (2) A state purchasing agency's failure to follow any rule established by Chapter 103D of the Hawaii Revised Statutes; or
- (3) A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

The Notice of Protest shall be mailed by USPS or hand delivered to the head of the State Contracting Office conducting the protested procurement and the designated Procurement Officer who is conducting the procurement within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offerors. In addition, a protest of an award or proposed award shall be submitted within five (5) days after the posting of award of the contract. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of actual receipt by the State Contracting Office. The notice of award letter(s), if any resulting from this solicitation shall be posted on the Procurement Reporting System on the State Procurement Office website at <http://www.hawaii.gov/spo2/source/>.

Head of State Contracting Office		Procurement Officer	
Name:	Denise M. Wise	Name:	Rick T. Sogawa
Title:	Executive Director	Title:	Acting Procurement Officer
Mailing Address:	P.O. Box 17907 Honolulu, Hawaii 96817	Mailing Address:	P.O. Box 17907 Honolulu, Hawaii 96817
Business Address:	1002 North School Street Honolulu, Hawaii 96817	Business Address:	1002 North School Street Honolulu, Hawaii 96817

XVIII. Availability of Funds

The award of a Contract and any allowed renewal or extension, is subject to allotments made by the Director of Finance, State of Hawaii, pursuant to Chapter 37, HRS, and subject to the availability of State and/or Federal funds.

XIX. Monitoring and Evaluation

The Successful Bidder's performance of the Contract will be monitored and evaluated by the OIC and/or his/her designated representative.

XX. General and Special Conditions of Contract

The general conditions that will be imposed contractually are included in Attachment 6 of this IFB and may be found on the State Procurement Office website. Special conditions may also be imposed contractually by the state contracting office, as deemed necessary. If there is a conflict between the special conditions and the general conditions, the special conditions shall prevail. The HPHA reserves the right to make small or major modifications to the contract due to conditions that it is unable to anticipate now.

XXI. Cost Principles

The HPHA shall utilize standard cost principles at section 3-123, HAR, which are available on the State Procurement Office website at <http://www.hawaii.gov/spo>. Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

(END OF SECTION)

Section 2

Specifications

Section 2

Specifications

I. Introduction

A. Purpose or need

The Hawaii State Legislature established the Hawaii Public Housing Authority under Chapter 356D, HRS. The HPHA consolidates all state housing functions and is administratively attached to the Department of Human Services. The authority is a public body and a body corporate and politic of the State of Hawaii. The HPHA's role is to address the housing needs of low income families in Hawaii. This purpose of this IFB is to competitively procure custodial services for its Central Offices located on the Island of Oahu.

B. Area of Service

The Successful Bidder shall be required to provide services to all of the HPHA's Central Offices located at 1002 North School Street, Honolulu, Hawaii 96817

See property map at Attachment 6.

C. Funding source and period of availability

Funds are subject to appropriation by the State's Director of Finance and/or the U.S. Congress and allocation by the U.S. Department of Housing and Urban Development (HUD). Funding and period of availability may change upon notice by HPHA.

It is understood that the Contract shall not be binding unless the HPHA can document that there is an available unexpended appropriation or balance of an appropriation over and above all outstanding contracts sufficient to cover the amount required by the Contract. Any Contract entered into as a result of this Invitation for Bids is binding only to the extent that funds are certified as available and that the availability of funds in excess of the amount certified as available shall be contingent upon future appropriations or special fund revenues.

If there should be insufficient funds for any portion of the remaining contract period beyond the initial 12-month period ending on July 31, 2011, the HPHA may terminate the Contract or revise the amount/quantity of services required without penalty.

II. General Requirements

A. Bid Preparation

1. The Successful Bidder shall comply with the Chapter 103D, HRS, Cost Principles for Purchase of Goods and Services.
2. The interested bidder must have no outstanding balances owing to the HPHA. Exceptions may be granted by and at the discretion of the Executive Director of the HPHA for debts recently acquired and for debts which have a repayment plan approved by the Executive Director of the HPHA.
3. The interested bidder must be in good standing with the Department of Commerce and Consumer Affairs and shall submit a certificate to the HPHA with the Bid Offer Form.

To obtain a *Certificate of Good Standing* go online to www.hawaii.gov/dcca/areas/breg and follow the prompt instructions. To register or to obtain a "Certificate of Good Standing" by phone, call (808) 586-2727 (M-F 7:45 to 4:30 HST). The "Certificate of Good Standing" is valid for six months from date of issue and must be valid on the date it is received by the purchasing agency. Successful Bidders are advised that there are costs associated with registering and obtaining a "Certificate of Good Standing" from the DCCA.

4. Pursuant to section 103D-328, HRS, the Successful Bidder shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) prior to execution of an agreement. The certificate is valid for six (6) months from the most recent approval stamp date on the certificate. The certificate must be valid on the date it is received by the purchasing agency and until the Contract is fully executed by both parties.

The tax clearance certificate can be obtained from the State of Hawaii, DOTAX. The *Tax Clearance Application Form A-6 (Rev. 2003)* is available at the DOTAX and IRS offices in the State of Hawaii or the DOTAX

Website: http://www.hawaii.gov/tax/a1_1alphalist.html
Tel: (808) 587-7527

The application for the tax clearance is the responsibility of the interested bidder. The interested bidder must submit the tax clearance directly to the DOTAX or IRS and not to the state contracting agency for processing.

5. Pursuant to section 103D-310(c), HRS, the Successful Bidder shall be required to submit an approved certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue and must be valid on the date it is received by the purchasing agency.

The certificate of compliance may be obtained on the State of Hawaii, *DLIR APPLICATIONS FOR CERTIFICATE OF COMPLIANCE WITH SECTION 3-122-112, HAR, Form LIR#27* which is available at www.dlir.state.hi.us/LIR#27, or at the neighbor island DLIR District Offices. The DLIR will return the form to the Successful Bidder, who in turn shall submit it to the HPHA. The application for the certificate is the responsibility of the Successful Bidder, and must be submitted directly to the DLIR and not to the purchasing agency for processing.

6. The Successful Bidder may choose to use the Hawaii Compliance Express (HCE), which allows business to register online through a simple wizard interface at <http://vendors.ehawaii.gov/hce/splash/welcome.html>. The HCE provides the applicant with a "Certificate of Vendor Compliance" with current compliance status of the Tax Clearance Form, Certificate of Compliance: LIR #27 and the Certificate of Good Standing from the DCCA. The Certificate of Vendor Compliance is acceptable for both contracting purposes and final payment. Applicants that elect to use the new HCE services will be required to pay an annual fee of \$12.00 to the Hawaii Information Consortium, LLC (HIC).
7. The Successful Bidder shall maintain insurance acceptable to the HPHA in full force and effect throughout the term of this Contract. The policies of insurance maintained by the Successful Bidder shall provide the following coverages:

<u>Coverage</u>	<u>Limit</u>
General Liability Insurance (occurrence form)	\$2,000,000 combined single limit per occurrence for bodily injury and property damage.
Personal Injury Liability	\$1,000,000 single limits per occurrence \$2,000,000 for general aggregate
Automobile Insurance covering all owned, non-owned and hired automobiles.	Bodily injury liability limits of <u>\$1,000,000</u> each person and <u>\$1,000,000</u> per accident and property damage liability limits of <u>\$1,000,000</u> per accident OR \$2,000,000 combined single limit.
Workers Compensation as required by laws of the State of Hawaii.	Insurance to include Employer's Liability. Both such coverages shall apply to all employees of the successful Bidder and (in case any sub-

contractor fails to provide adequate similar protection for all his employees) to all employees of sub-contractors.

- a. **The State of Hawaii and HPHA, its elected and appointed officials, officers, employees, and volunteer shall be named as additional insured** as to operations performed under this Contract.
 - b. The Successful Bidder agrees to provide the HPHA before the effective date of the Contract, certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this Contract have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with the HPHA during the entire term of this Contract. Upon request by the HPHA, the Successful Bidder shall furnish a copy of the policy or policies.
 - c. Failure of the Successful Bidder to provide and keep in force such insurance shall be regarded as material default under this Contract, entitling the HPHA to exercise any or all of the remedies provided in this Contract for default of the Contractor.
 - d. The procuring of such required policy or policies of insurance shall not be construed to limit the Successful Bidder's liability hereunder or to fulfill the indemnification provisions and requirements of this Contract. Notwithstanding said policy or policies of insurance, the Successful Bidder shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.
 - e. The insurer shall notify the HPHA in writing of any cancellation or change in provisions thirty (30) calendar days prior to the effective date of such cancellation or change.
 - f. The Hawaii Public Housing Authority is a self insured State agency. The Successful Bidder's insurance shall be primary. Any insurance maintained by the State of Hawaii shall apply in excess of, and shall not contribute with, insurance provided by the Successful Bidder.
8. Interested bidders are advised that if awarded a Contract under this IFB, the Successful Bidder must furnish proof of compliance with the requirements of section 3-122-112, HAR:
- Chapter 237, tax clearance;
 - Chapter 383, unemployment insurance;
 - Chapter 386, workers' compensation;
 - Chapter 392, temporary disability insurance;
 - Chapter 393, prepaid health care; and

One of the following:

- i. Be registered and incorporated or organized under the laws of the State (hereinafter referred to as a “Hawaii business”); or

Hawaii business. A business entity referred to as a “Hawaii business” is registered and incorporated or organized under the laws of the State of Hawaii. As evidence of compliance, the Successful Bidder shall submit a *CERTIFICATE OF GOOD STANDING* issued by the Department of Commerce and Consumer Affairs Business Registration Division (BREG). A Hawaii business that is a sole proprietorship, however, is not required to register with the BREG, and therefore not required to submit the certificate. A Successful Bidder’s status as sole proprietor or other business entity and its business street address indicated on page 1 of the Successful Bidder’s Bid Offer Form will be used to confirm that the Successful Bidder is a Hawaii business.

- ii. Be registered to do business in the State. (hereinafter referred to as a “compliant non-Hawaii business”).

Compliant non-Hawaii business. A business entity referred to as a “compliant non-Hawaii business,” is not incorporated or organized under the laws of the State of Hawaii but is registered to do business in the State. As evidence of compliance, the Successful Bidder shall submit a *CERTIFICATE OF GOOD STANDING*.

The above certificates should be applied for and submitted to the purchasing agency as soon as possible. If a valid certificate is not submitted on a timely basis for award of a Contract, a bid otherwise responsive and responsible may not receive the award. The certificate shall be submitted with the interested bidder’s Bid Offer Form.

9. No performance or payment bond is required.
10. The Successful Bidder shall have a permanent office on the island of Oahu from where it conducts business and where it will be accessible to telephone calls for complaints or requests that need immediate attention. An answering service is not acceptable. Permanent office location and phone number shall be stated on the Bid Offer Form.

B. Type of Contract

The Successful Bidder shall be required to execute a Contract Based on Competitive Sealed Bids for Goods and Services. See Attachments 5 – 10.

C. Single or multiple contracts to be awarded

☒ Single ☐ Multiple ☐ Single & Multiple

D. Single or multi-term contracts to be awarded

☒ Single term (≤ 2 yrs) ☐ Multi-term (> 2 yrs.)

Initial term of contract: 12 months

Length of each extension: Up to 12 months (may be less than 12 months when it is in the best interests of the State)

Maximum length of contract: 24 months

The initial period shall commence on the contract start date or Notice to Proceed, whichever is later. The following conditions must be met for an extension:

- The Contractor experienced cost savings and has unexpended funds available that can be used to provide additional services; or
- The HPHA determines there is an ongoing need for the services and has funds to extend services not to exceed 12 months. Contract extensions shall be awarded at the same or comparable rates as the primary Contract. Exceptions shall be granted upon satisfactory justification such as increase in cost of services or cost of living increase; and
- A Supplemental Contract must be executed prior to expiration of the primary Contract; and
- The HPHA may be required to obtain HUD approval in writing of the extension prior to execution of a Supplemental Contract; and
- The Contractor must obtain the HPHA approval in writing and a notice to proceed with the extension; and
- The HPHA has determined that the Contractor has satisfactorily provided services over the current Contract term; and
- The necessary State and/or Federal funds are available and have been allotted for an extension.

The option to extend the Contract shall be at the sole discretion of the HPHA. The Contract shall be extended at the same rates as proposed in the original bid unless price adjustments are provided herein.

The Successful Bidder shall provide the requested insurance information and a completed wage certificate. The Successful Bidder shall be responsible for the State of Hawaii general excise tax and all other applicable taxes.

E. Statutory requirements of Section 103-55, Hawaii Revised Statutes

Interested Bidders shall complete and submit the attached wage certification by which Bidder certifies that the services required will be performed pursuant to section 103-55, HRS. See Attachment 1.

Interested Bidders are advised that section 103-55, HRS, provides that the services to be performed shall be performed by employees paid at wages not less than wages paid to public officers and employees for similar work. Interested Bidders are further advised that in the event of an increase in wage rates to public employees performing similar work during the Contract period, the Successful Bidder will be obligated to provide wages no less than those increased wages.

The State has determined that work to be done under this Contract is similar to the Janitor II (BC 01) position; therefore, the Successful Bidder will be required to pay their employees the prevailing State wages for work performed under this Contract. The hourly wages paid to these State positions are:

Class	Hourly Rate Eff. 3/01/2009
Janitor II (BC 01)	\$15.76

F. Bid Price

Bid price per hour shall be the all-inclusive hourly cost to the HPHA (including all applicable federal, state, and county taxes and fees) for providing the services specified. The Bid price per hour shall be applicable to custodial services provided during work hours. The HPHA is not responsible for and shall not pay overtime pay resulting from the Successful Bidder's scheduling of employees. Interested bidders should account for any published wage increase in their bid offer.

The Interested Bidder's bid price shall include any increase in costs for benefits required by law that are automatically increased as a result of increased wages, such as federal old age benefits, workers' compensation, temporary disability insurance, unemployment insurance, and prepaid public health insurance.

G. Price Adjustment by the State

At the release of this IFB, only the current wages of State employees performing similar work are known. If wages increase after the execution of the Contract, the Successful Bidder may request an increase in contract price in order to correspondingly increase the wages of the Successful Bidder's employees performing the work, including any increase in costs for benefits required by law that are automatically increased as a result of increased wages, such as federal old

age benefits, worker's compensation, temporary disability insurance, unemployment insurance, and prepaid public health insurance.

The Successful Bidder will not be paid for any reimbursement of retroactive pay negotiated by the State. The Successful Bidder's request for the increase must meet the following criteria:

1. At the time of bidding, if the Successful Bidder's hourly wage rate is greater than the prevailing State wage, the Successful Bidder's requests for increase will not be considered.
2. At the time of the request, the Successful Bidder must or must have provided documentation to show that it is in compliance with section 103-55, HRS. Its employees shall be paid no less than the known wage of the State position listed herein. Documentation shall include the employees' payroll records and a statement that the employees are being utilized for this Contract.
3. Request for increase must be made in writing to the HPHA on a timely basis:
 - a. Request for increase for the initial Contract and any Supplemental period must be made as soon as practicable after the State wage agreements are made public. Approved request will be retroactive to the date of increase for the State employees with adequate documentation that the Successful Bidder provided its employees a wage increase.
 - b. The Successful Bidder may call the IFB Coordinator named in this IFB to obtain the current wage information or download the information from the Department of Human Resource Development's website at the following address:

<http://www.hawaii.gov/hrd/main/HRDInfoCentral/DocCentral/SalarySchedules/BU01/>

The HPHA reserves the right to make changes to the scheduled custodial services, including increasing or decreasing the building/spaces to be serviced. Any changes will be made at the same or similar contract price for similar sized offices and upon written notification by the HPHA to the Contractor.

III. SCOPE OF WORK

Work included in this Contract shall consist of PROVIDING CUSTODIAL SERVICES FOR THE HAWAII PUBLIC HOUSING AUTHORITY'S CENTRAL OFFICES COST CENTER OFFICES LOCATED AT 1002 NORTH SCHOOL STREET ON THE ISLAND OF OAHU, in accordance with these specifications herein.

A. Service Activities (Minimum and/or mandatory tasks and responsibilities)

1. LOCATION AND AREA

HPHA Central Offices
1002 North School Street
Honolulu, Hawaii 96817:

Bldg A	Rent Subsidy/Applications	6,850	Square feet
Bldg B	Information Technology/Hearings Office	1,650	Square feet
Bldg C	Construction Management Branch	2,800	Square feet
Bldg D	Central Maint./Contract & Procurement	1,865	Square feet
Bldg D1	Outdoor Shower/Bathroom Facility	225	Square feet
Bldg E	Office of the Executive Director	4,950	Square feet
Trailer F	(vacant)	200	Square feet
Trailer G	Personnel Office	1,712	Square feet
Trailer H	(vacant)	1,485	Square feet
Trailer J	(vacant)	1,216	Square feet
Trailer L	(vacant)	1,680	Square feet
Trailer M	Fiscal Management Office	2,900	Square feet
Total		27,533	Square feet

Trailers F, H, J, L: At the time of this IFB, trailers F, H, J, and L are vacant and do not require indoor custodial services. Custodial services for these buildings shall resume upon written notification from the HPHA. Regular daily, weekly, and monthly custodial service and semi-annual cleaning services will resume when the building is reoccupied.

Note: Building A is tentatively scheduled to undergo roof repair in November 2010. At that time, regular daily, weekly, and monthly custodial service and semi-annual cleaning services will cease and will resume when the building is reoccupied. This date is a projected date and is not intended to be a commitment for HPHA to vacate the building on a specific date.

2. WORK SCHEDULE

- a. The Successful Bidder shall furnish the Contract Administrator a work schedule. If services are delayed, the Successful Bidder must notify the Contract Administrator of the delay and the projected time that services will resume.
- b. Daily, weekly and monthly custodial services shall be performed Monday thru Friday, excluding State Holidays/Furlough Days, if applicable. The start time will be no earlier than 4:30 p.m. HST with the exception of Building D – Central Maint./Contract & Procurement and Trailer M – Fiscal Management

Office. The start time for Building D and Trailer M shall be 4:00 p.m. HST and completion time no later than 4:30 p.m. HST.

- c. Semi-annual cleaning services shall be performed on Saturdays as approved by the Contract Administrator. This will allow time for the carpet to dry on Sundays.

3. DAILY CUSTODIAL SERVICES

- a. All floors, non-carpeted, shall be swept and damp mopped with appropriate cleaning materials, with the exception of the Building D storeroom.
- b. All carpeted areas shall be vacuumed and spot cleaned as necessary. Items such as staples, paper clips etc. must be removed from carpet. Furniture moved while cleaning shall be returned to its original location.
- c. Vacuum and clean baseboards, corners of walls, floors, ceiling and door jams of debris, dust and cobwebs.
- d. Restroom floors shall be wet mopped and disinfected, and all wash basins, toilets and urinals shall be cleaned inside and out and disinfected.
- e. Restroom dispensers and mirrors shall be wiped clean and dispensers refilled as necessary.
- f. Spot clean smudges on doors and walls, floor to height of 72 inches.
- g. Drinking fountains and kitchen sinks shall be cleaned and any stainless steel and chrome areas shall be wiped, polished and disinfected.
- h. File cabinets, counter tops, office furniture shall be cleaned and dusted. Only those desktops that have been totally cleared shall be cleaned and wiped dry.
- i. Wastebaskets shall be emptied and plastic bag liners changed as necessary.
- j. Both surfaces of glass doors located at Buildings A and E shall be cleaned.
- k. All refuse shall be placed in 55-gallon plastic bags and placed in the rubbish bin located near Buildings B and J.
- l. Lamps or bulbs that need replacing shall be reported to the Central Maintenance Office located in Building D.
- m. Vacuum carpeted floors and wipe with damp cloth conference table and counters in the Building E mini- and main- conference rooms.

4. WEEKLY CUSTODIAL SERVICES

- a. Vacuum and clean any interior glass partitions and windowsills.
- b. Vacuum and clean central air conditioning vents in Buildings A, C & E.
- c. Vacuum and clean central air conditioning vents in all restrooms.

5. MONTHLY CUSTODIAL SERVICES

- a. Tile floors shall be waxed and buffed.
- b. Venetian/mini blinds shall be vacuumed and damp wiped and draperies vacuumed.
- c. Damp wipe all metal portions of partition panels, trim doorway and picture frames, moldings, etc.
- d. Clean all jalousies.
- e. The Building D storeroom floors and storeroom offices shall be swept and damp mopped with appropriate cleaning materials.

6. SEMI-ANNUAL CLEANING SERVICES – Every six (6) months on a Saturday:

- a. All tile floors shall be stripped, waxed, and buffed.
- b. All carpeted areas shall be shampooed.
- c. Light fixtures diffusers shall be removed and cleaned.
- d. Clean all building windows, inside and out.

8. EQUIPMENT & SUPPLIES

- a. The Successful Bidder shall furnish all labor, equipment, cleaning supplies, materials, and supervision to satisfactorily perform custodial services as outlined in this Contract.
- b. The HPHA shall furnish toilet tissue, hand towels, liquid soap, toilet seat covers and plastic bags, as needed, to the Successful Bidder. It shall be the Successful Bidder's responsibility to replenish these supplies in the proper receptacles or fixtures. The Successful Bidder is responsible to notify the Contract Administrator, in writing when these supplies are needed. The

Successful Bidder shall request supplies no less than five (5) days prior to the established pick-up day. The pick-up day is Friday. If the pick-up day falls on a holiday, then the pick-up day will be on the next business day.

- c. The HPHA reserves the right to disapprove any cleaning chemical or equipment, which in its determination is unsatisfactory.
- d. It shall be the Successful Bidder's responsibility to provide and utilize safety signs, barricades, and any other safety device(s), during the performance of service. These safety devices shall be set-up by the Successful Bidder whenever the Successful Bidder's employees are performing services such as window cleaning, shampooing carpets, wet mopping or waxing floors, replacing diffusers, and whenever a ladder is being used. Safety devices shall be set-up in a manner to restrict access to the area, to prevent accidents to office personnel, as well as the general public.

9. REQUIREMENTS OF OCCUPATIONAL SAFETY AND HEALTH ACT

The Successful Bidder shall submit to the HPHA, Material Safety Data Sheets as required by the State of Hawaii, Department of Labor and Industrial Relations, Department of Occupational Safety and Health (DOSH), Occupational Safety and Health Standards, Title 12, Subtitle, 8, Part 8, Health Standards, section 12-203.1, HAR.

10. QUALITY OF WORK

All services and work shall be done in a professional like manner by personnel employed for their qualifications, knowledge, training, and proven skill to perform cleaning and custodial tasks efficiently and in a satisfactory manner. The Successful Bidder agrees to remove any of its employees for good cause upon written request by the Contract Administrator.

11. RE-EXECUTION OF WORK

The Successful Bidder shall re-execute any work that fails to conform to the requirements of the Contract as determined by the Contract Administrator within 48 hours.

12. SECURITY & ACCESS

- a. All employees must possess and wear picture ID Tags with company name or company shirt. Family members and/or non-employees of the company are not permitted at work sites during performance of work.
- b. The Successful Bidder shall be responsible for the security of the building during hours while service is being performed. When leaving, the Successful

Bidder shall specifically lock all doors, windows, turn off all lights and air conditioners, and set all alarm systems.

- c. The Successful Bidder shall prevent the entry of unauthorized person(s) into restricted areas. Cleaning personnel shall not provide access into facilities to any HPHA staff person or member of the general public without express consent of the Contract Administrator.
- d. Personnel shall maintain confidentiality of all documents viewed or information gathered during the performance of his/her duties, including discussing with the details of incidents on property without the express consent of the Contract Administrator.
- e. The Successful Bidder shall be responsible for the STATE's key(s) loaned to the Successful Bidder for entry and exit from the premises while performing services under the Contract. The Successful Bidder shall return all key(s) within twenty-four (24) hours of Contract end or when requested by the STATE. The Successful Bidder shall be charged for lock and key replacement(s) if key(s) are not returned within the (24 hour period).

13. CHANGES TO CUSTODIAL SERVICE REQUIREMENTS

- a. The HPHA reserves the right to increase, decrease or change the custodial and/or cleaning service requirements and schedule. Any changes for increasing, decreasing or changes in custodial service requirements and schedules shall be an amendment to the contract.
- b. The HPHA reserves the right to request commencement and scheduling of custodial services for any new building/trailers under his responsibility. This request shall be an amendment to the contract. The unit cost per building/trailer will be negotiated at the same or similar rates.

B. Management Requirements & Qualifications (Minimum requirements)

1. Personnel

- a. The Successful Bidder shall ensure that all personnel meet the minimum qualifications, including experience requirements, as appropriate.
- b. The Successful Bidder shall employ sufficient personnel at all times for performing the work in the manner and time required by these specifications and any subsequent post orders. The Successful Bidder shall maintain and implement a plan to ensure minimal disruption of services due to staff vacancies, vacations, or changes in personnel.

- c. The Successful Bidder shall be solely responsible for the behavior and conduct of their employees on the HPHA property and shall instruct personnel to fully cooperate with the officer in charge. Cleaning personnel shall refrain from socializing, fraternizing or interfering with the staff in the discharge of their duties.
- d. The Successful Bidder agrees to remove any of his employees from servicing or providing services to HPHA, upon request in writing by the Contract Administrator. At the request of HPHA, the Successful Bidder shall remove forthwith and shall not employ in any portion of the work, any person who, in the opinion of the HPHA, does not perform his/her duties and responsibilities in a proper and skillful manner or is intoxicated or disorderly or is abusive or unable to demonstrate tact and diplomacy in dealing with the public.
- e. The Successful Bidder shall ensure that no custodial personnel employed under this Contract have ever been convicted of selling, dealing, or using crystal methamphetamine in or around any state or federal public housing under the jurisdiction of the HPHA.
- f. The Successful Bidder shall have a properly trained and licensed manager to oversee the entire operation and to ensure that the services required are satisfactorily performed. All custodial personnel shall be under the supervision of the Contractor.
- g. Custodial personnel will refrain from having personal visitors and from socializing while on-duty.
- h. The Successful Bidder shall ensure that all information, documents, or materials viewed, discussed or provided in the line of duty shall be treated as confidential. The Successful Bidder shall refrain from providing confidential information to the general public without express consent of the HPHA.
- i. The Successful Bidder shall select only those individuals capable of demonstrating the following:
 - i. Ability to exercise good judgment;
 - ii. Maturity in conduct and attitude;
 - iii. Ability to communicate in English and read simple instructions; and
 - iv. Courteous to members of the public and the HPHA employees, as well as tolerant in their interactions with others, well groomed and neat in appearance.
- j. During the performance of this Contract, the Successful Bidder agrees not to

discriminate against any employee or applicant for employment because of sex, race, creed, color, or national origin. The Successful Bidder will take affirmative action to insure that applicants are employed, and that employees are treated during employment without regard to sex, race, creed, color, or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Successful Bidder shall insert provisions similar to the foregoing in all subcontracts.

2. Administrative

- a. The Successful Bidder shall be required to attend quarterly meetings with the Contract Administrator. The day and time to be specified by the Contract Administrator. Field visits will be made, if necessary.
- b. The Contract Administrator will submit a report to the Successful Bidder listing any discrepancies or contract violation(s) which need correction. These discrepancies or contract violation(s) must be corrected by the next reporting period for payment adjustment purposes. Liquidated damages shall apply for failure to comply.
- c. Persons working under this Contract shall sign in and sign out daily. See Attachments. The Successful Bidder shall check with the Contractor Administrator, as to the log location. The HPHA will use the monthly logs to verify hours and wages to be paid to employees for work done under this contract.

3. Payment

- a. Section 103-10, HRS provides that the HPHA shall have thirty (30) calendar days after receipt of invoice or satisfactory performance of the services to make payment. For this reason, the HPHA will reject any bid submitted with a condition requiring payment within a shorter period. Further, the HPHA will reject any bid submitted with a condition requiring interest payments greater than that allowed by section 103-10, HRS, as amended.
- b. The Successful Bidder shall submit a monthly invoice, one (1) original, for services rendered to:

Hawaii Public Housing Authority
Attn: Contract and Procurement Office
P.O. Box 17907
Honolulu, HI 96817

The aging date of the invoice shall be the date the invoice is received by the HPHA, as reflected by the date stamp.

- c. All invoices shall reference the Contract number assigned to the Contract. Payment shall be in accordance with section 103-10, HRS, upon certification by the Contract Administrator that the Successful Bidder has satisfactorily performed the services specified.

Payment shall be made on the basis of buildings and trailers serviced by the Successful Bidder. The Successful Bidder shall submit monthly invoices for payment, listing dates custodial and cleaning services rendered for the previous month. The Successful Bidder shall clearly indicate any adjustments made to the billing statement for work not performed, including without limitation, when a custodian fails to report for work.

- d. The Successful Bidder shall submit invoices for payment on the first of each month, listing dates and services rendered for the previous month.
- e. For final payment, the Successful Bidder must submit a valid original tax clearance certificate "Certification of Compliance for Final Payment" (SPO Form-22). A copy of the Form is available at www.spo.hawaii.gov. Select "forms for Vendors/Contractors" from the Chapter 103D, HRS.

The Successful Bidder is required to submit a tax clearance certificate for final payment on the Contract. A tax clearance certificate, not over two (2) months old, with an original green certified copy stamp, must accompany the invoice for final payment on the Contract.

IV. PERFORMANCE MONITORING & REMEDIES

A. Monitoring

- 1. The performance of work shall be monitored by the Contract Administrator. Performance will be monitored on an ongoing basis by the HPHA through personal observation, site inspection and/or other methods.
- 2. Should the Successful Bidder fail to comply with the requirements of the Contract, the HPHA reserves the right to engage the services of another company to perform the services, to remedy the defect or failure and to deduct such costs from monies due to the Successful Bidder or to assess the Successful Bidder directly.
- 3. In the event the Successful Bidder fails, refuses, or neglects to perform the services in accordance with the requirements of this Invitation for Bids, the HPHA reserves the right to purchase in the open market, a corresponding quantity of services, and to deduct from the Successful Bidder this cost and

from any monies due or that may thereafter become due the Successful Bidder such as the cost to the HPHA of procuring such services. In case money due to the Successful Bidder is insufficient for the purpose, the Successful Bidder shall pay the difference upon demand by the HPHA. The HPHA may also utilize all other remedies provided under the Contract and by law and rules.

B. Damages

1. Liquidated damages is fixed at the sum of ONE HUNDRED AND NO/100 DOLLARS (\$100.00) for each and every day the Successful Bidder fails to perform in whole or in part any of its obligations, which liquidated damages may be deducted from any payments due or to become due to the Successful Bidder.
2. The Successful Bidder shall repair all damages caused by the Successful Bidder's equipment or employees to existing utilities and structures, such as water lines, electric conduits, sewer lines, and buildings. If such repairs are not completed within a reasonable time, the HPHA reserves the right to purchase services for the necessary repairs from the open market and to deduct all repairs costs from moneys due or may thereafter become due to Successful Bidder. In the event money due the Successful Bidder is insufficient for the purpose, the Successful Bidder shall pay the difference upon demand by the HPHA.

C. Termination

The HPHA reserves the right to terminate any agreement without penalty for cause or convenience as provided in the general conditions. The Contracting Officer will give 30 days advance written notice of termination to the Successful Bidder specifying the extent of work to be terminated (in whole or in part). The Successful Bidder shall incur no further obligations on the terminated work on the date set in the notice. The Successful Bidder will stop work to the extent specified. The Successful Bidder will be compensated for services rendered and/or supplies delivered prior to termination date in accordance with the General Conditions. Use of this section in no way implies that the State has breached the Contract by exercise of the Termination for Convenience clause.

(END OF SECTION)

Section 3

Forms and Instructions

Section 3

Forms and Instructions

General Instructions for Completing Forms

- *Bids shall be submitted to the HPHA in the prescribed format outlined in this IFB*
- *No supplemental literature, brochures or other unsolicited information should be included in the bid packet.*
- *A written response is required for each item unless indicated otherwise.*
- *Bid documents and all certifications should be completed with black ink.*

I. Bid Offer Form

The bid offer form must be completed and submitted to the HPHA by the required due date and time, and in the form prescribed by the state purchasing agency. Electronic mail and facsimile transmissions shall not be accepted.

Interested bidders shall submit its bid under the interested bidder's exact legal name that is registered with the Department of Commerce and Consumer Affairs and shall indicate this exact legal name in the appropriate space on Bid at page 1. Failure to do so may delay proper execution of the Contract.

Interested bidder's authorized signature shall be an original signature in ink. If the Bid Offer Form on page 1, is unsigned or the affixed signature is a facsimile or a photocopy, the bid offer shall be automatically rejected.

Interested bidders are required to submit the following certifications with the Bid Form. In lieu of items b, and c, below interested bidders may also submit an original consolidated CERTIFICATE OF VENDOR COMPLIANCE as issued by the State Procurement Office via the online system, "Hawaii Compliance Express". Details regarding this online application process can be viewed at:
<http://vendors.ehawaii.gov/hce/>.

- a. Wage Certification;
- b. Department of Labor and Industrial Relations, Certificate of Compliance with Section 3-122-112, HAR, Form LIR#27;
- c. Department of Commerce and Consumer Affairs, Certificate of Good Standing; and
- d. Corporate Resolution evidencing who is authorized to sign bid documents and contracts on behalf of the Bidder.

The Successful Bidder shall pay the State of Hawaii general excise tax and all other applicable taxes.

A bid security deposit is not required for this IFB. The Bid Offer Form is provided in this IFB. See Attachment 2.

Interested bidders shall include two (2) letters of reference from companies or government agencies where they are currently providing similar custodial services.

II. General Conditions

The General Conditions of the Contract are attached for interested bidder's review and information. The General Conditions shall be incorporated into the Contract with the Successful Bidder. See Attachment 10.

(END OF SECTION)

Section 4

Bid Evaluation and Award

Section 4

Bid Evaluation and Award

I. Bid Evaluation

Each bid offer will be reviewed for responsiveness. A bid offer determined to be in exact conformity of the requirements in the IFB, shall be known as a “responsible bid.”

Information provided in/with the Bid Offer will be used to determine whether the interested bidder has the technical and financial capacity to deliver the goods or services, known as a “responsive bid”.

II. Method of Award

Any award, if any, will be made to the responsive and responsible bid submitting the lowest grand total sum bid and taking into consideration the information provided on the Bid Offer Form and wages to be paid to employees performing the work specified herein. Interested bidders must bid on all items to qualify for award. Interested bidders shall add total bid prices for Items 1 thru 22, to get the Grand Total Sum Bid on page 3 of the Bid Offer Form.

(END OF SECTION)

ATTACHMENTS

- | | |
|---|------------------------------|
| 1. Wage Certificate | Due July 7, 2010 |
| 2. Bid Offer Form | Due July 7, 2010 |
| 3. Map of the HPHA's Central Offices | For Bidder's information/use |
| 4. Sample Contract for Goods or Services Based Upon
Competitive Sealed Bids | For Bidder's information/use |
| 5. Sample Contract – Attachment S1, Scope of Services | For Bidder's information/use |
| 6. Sample Contract – Attachment S2, Compensation and
Payment Schedule | For Bidder's information/use |
| 7. Sample Contract – Attachment S3, Time of Performance | For Bidder's information/use |
| 8. Sample Contract – Attachment S4, Certificate of Exemption
for Civil Service | For Bidder's information/use |
| 9. Sample Contract – Attachment S5, Special Conditions | For Bidder's information/use |
| 10. General Conditions, State AG-008 Rev 4/15/2009 | For Bidder's information/use |
| 11. Salary Schedules, BU 01 | For Bidder's information/use |
| 12. State of Hawaii 2010/2011 Holiday Schedule | For Bidder's information/use |
| 13. HPHA 2010/2011 Furlough Schedule | For Bidder's information/use |

WAGE CERTIFICATE**SUBJECT: BID NO.: IFB CPO-2010-06****DESCRIPTION OF PROJECT****CUSTODIAL SERVICES FOR THE HPHA'S CENTRAL OFFICES LOCATED ON THE ISLAND OF OAHU.**

Pursuant to Section 103-55, Hawaii Revised Statutes (HRS.), I hereby certify that if awarded the contract is in excess of \$25,000.00 the services will be performed under the following conditions:

1. The services shall be performed by employees at wages or salaries not less than wages or salaries paid to public officers and employees doing similar work.
2. All applicable laws of the Federal and State governments relating to worker's compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

I understand that all payments required by Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wages required by section 103-55, HRS.

BIDDER: _____

BY: _____
*Signature of Person Authorized to Sign this Bid.***Please Print**

NAME: _____

TITLE: _____

DATE: _____

Due Date: July 7, 2010, 10:00 am

**CUSTODIAL SERVICES FOR THE
HAWAII PUBLIC HOUSING AUTHORITY**

Hawaii Public Housing Authority
1002 North School Street
Honolulu, Hawaii 96817

Dear Sir/Madam:

We, the undersigned, have carefully read and understand the terms and conditions specified in the IFB-CPO-2010-06 and related attachments by reference made a part hereof and available upon request; and hereby submit the following offer to perform the work specified herein, in accordance with the true intent and meaning thereof.

The undersigned understands and agrees that by submitting this offer, he/she is declaring the offer is not in violation of Chapter 84, Haw. Rev. Statutes, concerning prohibited State contracts.

Date: _____

Respectfully submitted,

Telephone No.: _____

Fax No.: _____

Exact Legal Name of Bidder

Payment address:

Authorized Signature

Title

Hawaii General Excise Tax License
I.D. No.: _____

Street Address

Social Security or Federal I.D. No.: _____

City, State, Zip Code

Contact person regarding this bid offer

If Bidder shown above is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the contract, if awarded will be executed.

Bidder is: ☐ Individual ☐ Partnership ☐ Corporation ☐ Joint Venture

State of Hawaii: ☐ Hawaii *Other: _____

*If "other", is corporate seal available in Hawaii? ☐ Yes ☐ No

General Excise Tax License: _____

Bidder/Bidder's Company Name: _____

Date of G.E. Tax License: _____

License Number: _____

Bidder's Business Address: _____

Telephone Number: _____

(Successful Bidder shall be able to respond within twenty-four (24) hours from the State's call/request.)

Contact Person: _____

How many people will be required to provide the specified services each day? _____

How many hours will be required to provide the daily services each day? _____ / day

How much additional time will be required to provide the monthly services? _____ / day

Please indicate the number of people that will be working under this Contract by category:

Owners _____

Employees (Paid) _____

Non-Paid Personnel _____

*If using non-paid personnel, please specify their relationship to bidder/bidder's company:

Bidder: _____

INSURANCE COVERAGE:

	Carrier	Policy No.	Agent
1 Commercial General Liability	_____	_____	_____
2 Worker's Compensation	_____	_____	_____
3 Temporary Disability	_____	_____	_____
4. Prepaid Health Care	_____	_____	_____
5. Unemployment Insurance: State of Hawaii I.D. No.:	_____		

If you are not required to have one or more of the above coverages, please explain below:

References: Bidder shall submit along with this offer, two (2) written letters of recommendation from companies or government agencies for whom bidder has or is providing commercial custodial services.

Bidder: _____

The following bid is hereby submitted for Custodial Services for the Hawaii Public Housing Authority's Central Office Cost Center offices located at 1002 North School Street, Honolulu, Hawaii 96817.

A. Bldg A Rent Subsidy / Applications (6,850 Square feet)

	<u>Unit Bid Price</u>	<u>Frequency</u>	<u>Total Bid Price</u>
1. Daily, weekly and monthly custodial services as detailed in IFB-CPO-2010-06	\$ <u> </u> (Per month)	<u>12</u> Months	\$ <u> </u>
2. Semi-annual cleaning services as detailed in IFB-CPO-2010-06.	\$ <u> </u> (Per cleaning)	<u>2</u> Times	\$ <u> </u>

B. Bldg B Computer & Telecommunications / Personnel (1,650 Square feet)

	<u>Unit Bid Price</u>	<u>Frequency</u>	<u>Total Bid Price</u>
3. Daily, weekly and monthly custodial services as detailed in IFB-CPO-2010-06	\$ <u> </u> (Per month)	<u>12</u> Months	\$ <u> </u>
4. Semi-annual cleaning services as detailed in IFB-CPO-2010-06.	\$ <u> </u> (Per cleaning)	<u>2</u> Times	\$ <u> </u>

C. Bldg C Construction Management Section (2,800 Square feet)

	<u>Unit Bid Price</u>	<u>Frequency</u>	<u>Total Bid Price</u>
5. Daily, weekly and monthly custodial services as detailed in IFB-CPO-2010-06	\$ <u> </u> (Per month)	<u>12</u> Months	\$ <u> </u>
6. Semi-annual cleaning services as detailed in IFB-CPO-2010-06.	\$ <u> </u> (Per cleaning)	<u>2</u> Times	\$ <u> </u>

D. Bldg D Central Maintenance/Contract and Procurement (1,865 Square feet)

(To be cleaned between 4:00 p.m. HST and 4:30 p.m. HST)

	<u>Unit Bid Price</u>	<u>Frequency</u>	<u>Total Bid Price</u>
7. Daily, weekly and monthly custodial services as detailed in IFB-CPO-2010-06	\$ <u> </u> (Per month)	<u>12</u> Months	\$ <u> </u>
8. Semi-annual cleaning services as detailed in IFB-CPO-2010-06.	\$ <u> </u> (Per cleaning)	<u>2</u> Times	\$ <u> </u>

E. Bldg D1 Outdoor Shower / Bathroom Facility (225 Square feet)

	<u>Unit Bid Price</u>	<u>Frequency</u>	<u>Total Bid Price</u>
9. Daily, weekly and monthly custodial services as detailed in IFB-CPO-2010-06	\$ _____ (Per month)	<u>12</u> Months	\$ _____
10. Semi-annual cleaning services as detailed in IFB-CPO-2010-06.	\$ _____ (Per cleaning)	<u>2</u> Times	\$ _____

F. Bldg E Office of the Executive Director (4,950 Square feet)

	<u>Unit Bid Price</u>	<u>Frequency</u>	<u>Total Bid Price</u>
11. Daily, weekly and monthly custodial services as detailed in IFB-CPO-2010-06	\$ _____ (Per month)	<u>12</u> Months	\$ _____
12. Semi-annual cleaning services as detailed in IFB-CPO-2010-06.	\$ _____ (Per cleaning)	<u>2</u> Times	\$ _____

G. Trailer F (currently vacant) (200 Square feet)

	<u>Unit Bid Price</u>	<u>Frequency</u>	<u>Total Bid Price</u>
13. Daily, weekly and monthly custodial services as detailed in IFB-CPO-2007-10	\$ _____ (Per month)	<u>12</u> Months	\$ _____
14. Semi-annual cleaning services as detailed in IFB-CPO-2007-10.	\$ _____ (Per cleaning)	<u>2</u> Times	\$ _____

H. Trailer G Personnel Office (1,712 Square feet)

	<u>Unit Bid Price</u>	<u>Frequency</u>	<u>Total Bid Price</u>
15. Daily, weekly and monthly custodial services as detailed in IFB-CPO-2010-06	\$ _____ (Per month)	<u>12</u> Months	\$ _____
16. Semi-annual cleaning services as detailed in IFB-CPO-2010-06.	\$ _____ (Per cleaning)	<u>2</u> Times	\$ _____

I. Trailer H (currently vacant) (1,485 Square feet)

	<u>Unit Bid Price</u>	<u>Frequency</u>	<u>Total Bid Price</u>
17. Daily, weekly and monthly custodial services as detailed in IFB-CPO-2010-06	\$ _____ (Per month)	<u>12</u> Months	\$ _____
18. Semi-annual cleaning services as detailed in IFB-CPO-2010-06.	\$ _____ (Per cleaning)	<u>2</u> Times	\$ _____

J. Trailer J (currently vacant) (1,216 Square feet)

	<u>Unit Bid Price</u>	<u>Frequency</u>	<u>Total Bid Price</u>
19. Daily, weekly and monthly custodial services as detailed in IFB-CPO-2010-06	\$ _____ (Per month)	<u>12</u> Months	\$ _____
20. Semi-annual cleaning services as detailed in IFB-CPO-2010-06.	\$ _____ (Per cleaning)	<u>2</u> Times	\$ _____

K. Trailer L (currently vacant) (1,680 Square feet)

	<u>Unit Bid Price</u>	<u>Frequency</u>	<u>Total Bid Price</u>
21. Daily, weekly and monthly custodial services as detailed in IFB-CPO-2010-06	\$ _____ (Per month)	<u>12</u> Months	\$ _____
22. Semi-annual cleaning services as detailed in IFB-CPO-2010-06.	\$ _____ (Per cleaning)	<u>2</u> Times	\$ _____

L. Trailer M Fiscal Management Office (2,900 Square feet)

	<u>Unit Bid Price</u>	<u>Frequency</u>	<u>Total Bid Price</u>
23. Daily, weekly and monthly custodial services as detailed in IFB-CPO-2010-06	\$ _____ (Per month)	<u>12</u> Months	\$ _____
24. Semi-annual cleaning services as detailed in IFB-CPO-2010-06.	\$ _____ (Per cleaning)	<u>2</u> Times	\$ _____

Total 27,533 Square feet**Grand Total for Bid Items (Add items 1-24)**

\$ _____

Award will be made to the responsive and responsible bidder submitting the lowest Grand Total for Bid Items 1-24.

HPHA 1002 North School Street

Bldg. "A" - 6,850 Sq. Ft.

Bldg. "B" - 1,650 Sq. Ft.

Bldg. "C" - 2,800 Sq. Ft.

Bldg. "D" - 1,865 Sq. Ft.

Bldg. "D1" - 225 Sq. Ft.

Bldg. "E" - 4,950 Sq. Ft.

Trailer "F" - 200 Sq. Ft. (Left Side - Diamond Head)

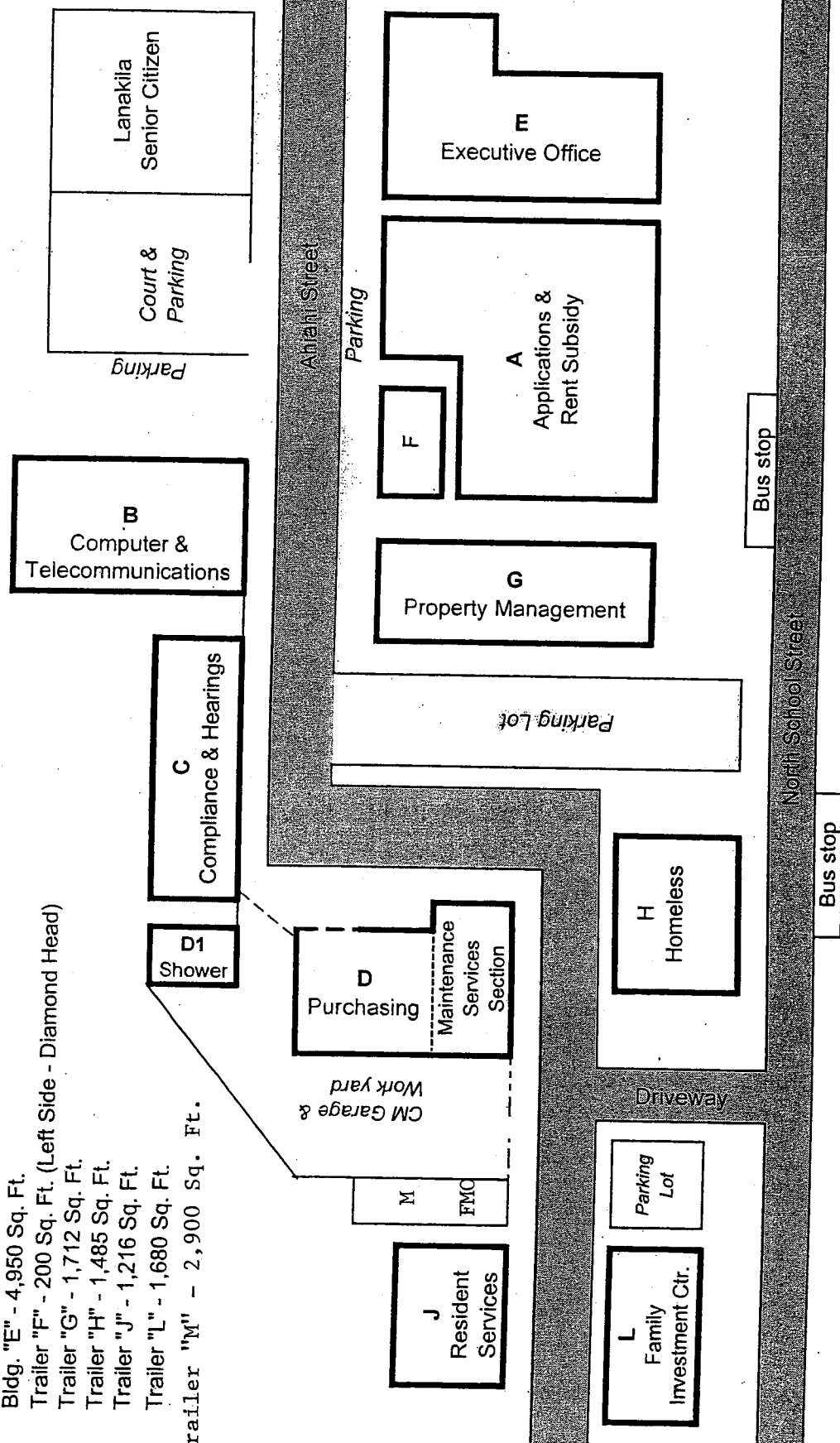
Trailer "G" - 1,712 Sq. Ft.

Trailer "H" - 1,485 Sq. Ft.

Trailer "J" - 1,216 Sq. Ft.

Trailer "L" - 1,680 Sq. Ft.

Trailer "M" - 2,900 Sq. Ft.



Lanakila Avenue

Antahi Street

Parking

F

E
Executive OfficeA
Applications &
Rent SubsidyG
Property Management

Parking Lot

C
Compliance & HearingsD1
ShowerD
PurchasingMaintenance
Services
SectionCM Garage &
Work yard

M

J
Resident
Services

FMO

H
Homeless

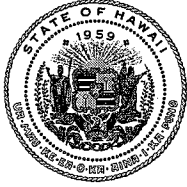
Driveway

Parking
LotL
Family
Investment Ctr.

Bus stop

North School Street

Bus stop



STATE OF HAWAII
CONTRACT FOR GOODS OR SERVICES
BASED UPON
COMPETITIVE SEALED BIDS

This Contract, executed on the respective dates indicated below, is effective as of
August 1, 2010, between Hawaii Public Housing Authority,
(Insert name of state department, agency, board or commission)
 State of Hawaii ("STATE"), by its Executive Assistant,
(Insert title of person signing for State)
 (hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")),
 whose address is 1002 North School Street, Honolulu, Hawaii 96817
and tbd
 ("CONTRACTOR"), a tbd
(Insert corporation, partnership, joint venture, sole proprietorship, or other legal form of the Contractor)
 under the laws of the State of tbd, whose business address and federal
 and state taxpayer identification numbers are as follows: tbd

RECITALS

A. The STATE desires to retain and engage the CONTRACTOR to provide the goods or services, or both, described in this Contract and its attachments, and the CONTRACTOR is agreeable to providing said goods or services, or both.

B. The STATE has issued an invitation for competitive sealed bids, and has received and reviewed bids submitted in response to the invitation.

C. The solicitation for bids and the selection of the CONTRACTOR were made in accordance with section 103D-302, Hawaii Revised Statutes ("HRS"), Hawaii Administrative Rules, Title 3, Department of Accounting and General Services, Subtitle 11 ("HAR"), Chapter 122, Subchapter 5, and applicable procedures established by the appropriate Chief Procurement Officer ("CPO").

D. The CONTRACTOR has been identified as the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation.

E. Pursuant to Section 356-D Hawaii Revised Statutes, the STATE
(Legal authority to enter into this Contract)
 is authorized to enter into this Contract.

F. Money is available to fund this Contract pursuant to:

(1) n/a
(Identify state sources)

or (2) Central Office Cost Center Management Fees
(Identify federal sources)

or both, in the following amounts: State \$ 0.00
 Federal \$ t.00

NOW, THEREFORE, in consideration of the promises contained in this Contract, the STATE and the CONTRACTOR agree as follows:

1. Scope of Services. The CONTRACTOR shall, in a proper and satisfactory manner as determined by the STATE, provide all the goods or services, or both, set forth in the Invitation for Bids number CPO-2010-06 ("IFB") and the CONTRACTOR'S accepted bid ("Bid"), both of which, even if not physically attached to this Contract, are made a part of this Contract.

2. Compensation. The CONTRACTOR shall be compensated for goods supplied or services performed, or both, under this Contract in a total amount not to exceed

tbd DOLLARS

(\$ tbd), including approved costs incurred and taxes, at the time and in the manner set forth in the IFB and CONTRACTOR'S Bid.

3. Time of Performance. The services or goods required of the CONTRACTOR under this Contract shall be performed and completed in accordance with the Time of Performance set forth in Attachment-S3, which is made a part of this Contract.

4. Bonds. The CONTRACTOR ☐ is required to provide or ☒ is not required to provide: ☐ a performance bond, ☐ a payment bond, ☐ a performance and payment bond in the amount of n/a DOLLARS (\$ n/a).

5. Standards of Conduct Declaration. The Standards of Conduct Declaration of the CONTRACTOR is attached to and made a part of this Contract.

6. Other Terms and Conditions. The General Conditions and any Special Conditions are attached to and made a part of this Contract. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control. In the event of a conflict among the documents, the order of precedence shall be as follows: (1) this Contract, including all attachments and addenda; (2) the IFB, including all attachments and addenda; and (3) the CONTRACTOR'S Bid.

7. Liquidated Damages. Liquidated damages shall be assessed in the amount of One Hundred and No/100----- DOLLARS (\$ 100.00) per day, in accordance with the terms of paragraph 9 of the General Conditions.

8. Notices. Any written notice required to be given by a party to this Contract shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. Notice to the STATE shall be sent to the HOPA'S address indicated in the Contract. Notice to the CONTRACTOR shall be sent to the CONTRACTOR'S address indicated in the Contract. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The CONTRACTOR is responsible for notifying the STATE in writing of any change of address.

IN VIEW OF THE ABOVE, the parties execute this Contract by their signatures, on the dates below, to be effective as of the date first above written.

STATE

(Signature)

Barbara E. Arashiro

(Print Name)

Executive Assistant

(Print Title)

(Date)

CONTRACTOR

CORPORATE SEAL

(If available)

(Name of Contractor)

(Signature)

(Print Name)

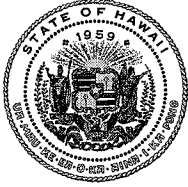
(Print Title)

(Date)

APPROVED AS TO FORM:

Deputy Attorney General

* Evidence of authority of the CONTRACTOR'S representative to sign this Contract for the CONTRACTOR must be attached.



STATE OF HAWAII

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF _____)
) SS.
_____ COUNTY OF _____)

On this _____ day of _____, _____ before me appeared
_____ and _____, to me
known, to be the person(s) described in and, who, being by me duly sworn, did say that he/she/they is/are
_____ and _____ of
_____, the
CONTRACTOR named in the foregoing instrument, and that he/she/they is/are authorized to sign said
instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said
instrument as the free act and deed of the CONTRACTOR.

(Notary Stamp or Seal)

(Signature)

(Print Name)

Notary Public, State of _____

My commission expires: _____

Doc. Date: _____ # Pages: _____

Notary Name: _____ Circuit _____

Doc. Description: _____

(Notary Stamp or Seal)

Notary Signature

Date

NOTARY CERTIFICATION



STATE OF HAWAII

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF _____)
) SS.
_____ COUNTY OF _____)

On this _____ day of _____, _____ before me appeared
_____ and _____, to me
known, to be the person(s) described in and, who, being by me duly sworn, did say that he/she/they is/are
_____ and _____ of
_____, the
CONTRACTOR named in the foregoing instrument, and that he/she/they is/are authorized to sign said
instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said
instrument as the free act and deed of the CONTRACTOR.

(Notary Stamp or Seal)

(Signature)

(Print Name)

Notary Public, State of _____

My commission expires: _____

Doc. Date: _____ # Pages: _____

Notary Name: _____ Circuit

Doc. Description: _____

(Notary Stamp or Seal)

Notary Signature

Date

NOTARY CERTIFICATION



STATE OF HAWAII

SCOPE OF SERVICES

CONTRACTOR: _____

1. It is understood and agreed that the following documents, and any amendments or addenda thereto, comprise the Contract between the parties and are fully a part of this Contract governing the work to be performed by the CONTRACTOR for custodial services: (1) CONTRACTOR's accepted bid dated July __, 2010; (2) Invitation for Bids No. CPO 2010-06 and all addenda; (3) State General Conditions (AG-008 Rev. 4/15/2009); and (4) this Contract including Attachments S1 – S5. These documents are collectively referred to as the Contract Documents. If there is a conflict between the Contract Documents, the Contract shall prevail.
2. **Location and area.** The CONTRACTOR shall provide custodial services at the following HPHA Offices at 1002 North School Street on Oahu:

Bldg A	Rent Subsidy / Applications	6,850	Square feet
Bldg B	Information Technology/Hearings Office	1,650	Square feet
Bldg C	Construction Management Branch	2,800	Square feet
Bldg D	Central Maint./Contract & Procurement	1,865	Square feet
Bldg D1	Outdoor Shower/Bathroom Facility	225	Square feet
Bldg E	Office of the Executive Director	4,950	Square feet
Trailer F	(vacant)	200	Square feet
Trailer G	Personnel Office	1,712	Square feet
Trailer H	(vacant)	1,485	Square feet
Trailer J	(vacant)	1,216	Square feet
Trailer L	(vacant)	1,680	Square feet
Trailer M	Fiscal Management Office	2,900	Square feet
Total		27,533	Square feet

Trailers F, H, J, L: At the time of this IFB, trailers F, H, J, and L are vacant and does not require indoor custodial services. Custodial services for these buildings shall resume upon written notification from the HPHA. Regular daily, weekly, and monthly custodial service and semi-annual cleaning services will resume when the building is reoccupied.

Note: Building A is scheduled to undergo roof repair in November 2010. At that time, regular daily, weekly, and monthly custodial service and semi-annual cleaning services will cease and will resume when the building is reoccupied. This date is a projected date and is not intended to be a commitment for HPHA to vacate the building on a specific date.

3. Work Schedule

- a. The CONTRACTOR shall furnish the Contract Administrator a schedule to be followed. If services are delayed, the CONTRACTOR must notify the Contract Administrator of the delay and the projected time that services will start.
- b. Daily, weekly and monthly custodial services shall be performed Monday thru Friday (excluding State Holidays/Furlough Days). Start time will be 4:30 p.m. Hawaii



STATE OF HAWAII

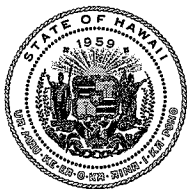
SCOPE OF SERVICES

Standard Time (HST) (no sooner) with the exception of Building D, Central Maint./Contract and Procurement and Trailer M, Fiscal Management Office with a start time of 4:00 p.m. HST and completion time no later than 4:30 p.m. HST.

- c. Semi-annual cleaning services shall be performed on Saturdays as approved by the Contract Administrator. This will allow time for the carpet to dry on Sundays.

4. Daily Custodial Services

- a. All floors (non-carpeted) shall be swept and damp mopped with appropriate cleaning materials, with the exception of the Building E storeroom.
- b. All carpeted areas shall be vacuumed and spot cleaned as necessary. Items such as staples, paper clips etc. must be removed from carpet. Furniture moved while cleaning shall be returned to its original location.
- c. Vacuum and clean baseboards, corners of walls, floors, ceiling and door jambs of debris, dust and cobwebs.
- d. Restroom floors shall be wet mopped and disinfected, and all wash basins, toilets and urinals shall be cleaned (inside and out) and disinfected.
- e. Restroom dispensers and mirrors shall be wiped clean and dispensers refilled as necessary.
- f. Spot clean smudges on doors and walls (floor to height of 72 inches)
- g. Drinking fountains and kitchen sinks shall be cleaned and any stainless steel and chrome areas shall be wiped, polished and disinfected.
- h. File cabinets, counter tops, office furniture shall be cleaned and dusted. Only those desktops that have been totally cleared shall be cleaned and wiped dry.
- i. Wastebaskets shall be emptied and plastic bag liners changed as necessary.
- j. Both surfaces of glass doors located at Building A and E shall be cleaned.
- k. All refuse shall be placed in 55-gallon plastic bags and placed in the rubbish bin located near Building B and Building J.
- l. Lamps or bulbs that need replacing shall be reported to Central Maintenance located in Building D.



STATE OF HAWAII

SCOPE OF SERVICES

5. Weekly Custodial Services

- a. Vacuum and clean any interior glass partitions and windowsills.
- b. Vacuum and clean central air conditioning vents in Building A, C & E.
- c. Vacuum and clean central air conditioning vents in all restrooms.

6. Monthly Custodial Services

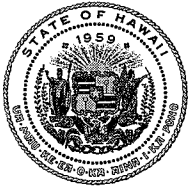
- a. Tile floors shall be waxed and buffed.
- b. Venetian/mini blinds shall be vacuumed and damp wiped and draperies vacuumed.
- c. Damp wipe all metal portions of partition panels, trim doorway and picture frames, moldings, etc.
- d. Clean all jalousies.
- e. The Building D storeroom floor and storeroom offices shall be swept and damp mopped with appropriate cleaning materials.

7. Semi-annual Cleaning Services-every six (6) months on a Saturday

- a. All tile floors shall be stripped, waxed, and buffed.
- b. All carpeted areas shall be shampooed.
- c. Light fixtures diffusers shall be removed and cleaned.
- d. Clean all building windows, inside and out.

8. Equipment & Supplies

- a. The CONTRACTOR shall furnish all labor, equipment, cleaning supplies, materials, and supervision to satisfactorily perform custodial services as outlined in the Contract Documents.
- b. The STATE shall furnish toilet tissue, hand towels, liquid soap, toilet seat covers and plastic bags, as needed, to the CONTRACTOR. It shall be the CONTRACTOR'S responsibility to replenish these supplies in the proper receptacles or fixtures. The CONTRACTOR is responsible to notify the Officer-In-Charge of this contract, in writing when these supplies are needed. The CONTRACTOR shall request supplies no less than five (5) days prior to the established pick-up day. The established pick-up day is Thursday.



STATE OF HAWAII

SCOPE OF SERVICES

- c. The STATE reserves the right to disapprove any cleaning chemical or equipment, which in its determination is unsatisfactory.
- d. It shall be the CONTRACTOR'S responsibility to provide and utilize safety signs, barricades, and any other safety device(s), during the performance of service. These safety devices shall be set-up by the CONTRACTOR whenever the CONTRACTOR'S employees are performing services such as window cleaning, shampooing carpets, wet moping or waxing floors, replacing diffusers, and whenever a ladder is being used. Safety devices shall be set-up in a manner to restrict access to the area, to prevent accidents to office personnel, as well as the general public.

9. Requirements of Occupational Safety and Health Act

The CONTRACTOR shall submit to the STATE, Material Safety Data Sheets as required by the State of Hawaii, Department of Labor and Industrial Relations, Department of Occupational Safety and Health (DOSH), Occupational Safety and Health Standards, Part 8, Health Standards, Section §12-203-1.

10. Quality of Work

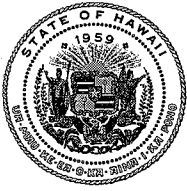
All services and work shall be done in a professional like manner by personnel employed for their qualifications, knowledge, training, and proven skill to perform cleaning and custodial tasks efficiently and in a satisfactory manner. The CONTRACTOR shall agree to remove any of its employees for good cause upon written request by the Contract Administrator.

11. Re-execution of Work

The CONTRACTOR shall re-execute any work that fails to conform to the requirements of the contract as determined by the Contract Administrator within 48 hours.

12. Security & Access

- a. All employees must possess and wear picture identification tags (ID) with the CONTRACTOR's name and/or CONTRACTOR's apparel. Family members and/or non-employees of the CONTRACTOR are not permitted at work sites during performance of work.
- b. The CONTRACTOR shall be responsible for the security of the building during hours while service is being performed; and when leaving, specifically locking all doors, windows, turning off all lights and air conditioners, and setting all alarm system.



STATE OF HAWAII

SCOPE OF SERVICES

- c. The CONTRACTOR shall prevent the entry of unauthorized person(s) into restricted areas. Personnel shall not provide access into facilities to any STATE staff person or member of the general public without express consent of the OIC.
- d. Personnel shall maintain confidentiality of all documents viewed or information gathered during the performance of his/her duties, including discussing with the details of incidents on property without the express consent of the OIC.
- e. The CONTRACTOR shall be responsible for State key(s) loaned for entry and exit from the agency premises while performing service under State contract. The CONTRACTOR shall return all keys within twenty-four (24) hours of contract end or when requested by the State. The CONTRACTOR shall be charged for lock and key replacement(s) if key(s) are not returned within the twenty-four (24) hour period.

13. Changes to Custodial Service Requirements

- a. The STATE reserves the right to increase, decrease or change the custodial and/or cleaning service requirements and schedule. Any changes for increasing, decreasing or changes in custodial service requirements and schedules shall be an amendment to the Contract.
- b. The STATE reserves the right to request commencement and scheduling of custodial services for any new building/trailers under their responsibility. This request shall be an amendment to the Contract. The unit cost per building/trailer will be negotiated at the same or similar rates.



STATE OF HAWAII

COMPENSATION AND PAYMENT SCHEDULE

CONTRACTOR:

1. Subject to the receipt of Federal funds under the Annual Contributions Contract and Section 161 of the Housing and Community Development Act of 1992 (HCDA 1992), Public Law 102-550, approved October 28, 1992, the STATE agrees to pay the CONTRACTOR for services satisfactorily performed under this Contract a sum of money not to exceed _____ Dollars (____) for the Contract period.
2. Funds are subject to appropriation by the U.S. Congress and allocation by the U.S. Department of Housing and Urban Development (HUD) and the State's budget execution policies. Funding and period of availability may change upon notice by HUD to STATE. If there should be insufficient funds for any portion of the remaining contract period beyond the initial twelve (12) month period, ending July 31, 2011 the STATE may terminate the contract or revise the amount/quantity of services required without penalty.
3. Upon the execution of this Contract, payments shall be paid in accordance with and subject to the following:
 - a. Section 103-10, HRS provides that STATE shall have thirty (30) calendar days after receipt of invoice or satisfactory performance of the services to make payment. The aging date of the invoice shall be the date the invoice is received by the STATE, as reflected by the date stamp.
 - b. CONTRACTOR shall submit a monthly invoice, one original, for services rendered to:
Hawaii Public Housing Authority
Attn: Contract and Procurement Office
P.O. Box 17907
Honolulu, HI 96817
 - c. All invoices shall reference the contract number assigned to this Contract. Payment shall be in accordance with Section 103-10, Hawaii Revised Statutes (HRS), upon certification by the Officer-In-Charge that the CONTRACTOR has satisfactorily performed the services specified.

Payment shall be made on the basis of buildings and trailers serviced by the CONTRACTOR. The CONTRACTOR shall submit monthly invoices for payment, listing dates custodial and cleaning services rendered for the previous month. The CONTRACTOR shall clearly indicate any adjustments made to the billing statement for work not performed (e.g., custodian fails to report for work).
 - d. The CONTRACTOR shall submit invoices for payment on the first of each month, listing dates and services rendered for the previous month.
 - e. For final payment, the CONTRACTOR must submit a valid original tax clearance certificate "Certification of Compliance for Final Payment" (SPO Form-22). A copy of the Form is available at www.spo.hawaii.gov. Select "forms for Vendors/Contractors" from the Chapter 103D, HRS.

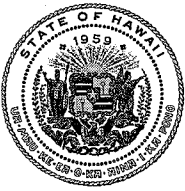


STATE OF HAWAII

COMPENSATION AND PAYMENT SCHEDULE

The CONTRACTOR is required to submit a tax clearance certificate for final payment on the contract. A tax clearance certificate, not over two (2) months old, with an original green certified copy stamp, must accompany the invoice for final payment on the contract. A certificate of compliance from the Hawaii Compliance Express can be submitted in lieu of tax clearance certificate.

4. The STATE reserves the right to make changes to the scheduled custodial services, including increasing or decreasing the building/spaces to be serviced. Any changes will be made at the same or similar Contract price for similar sized offices and upon written notification by the STATE to the CONTRACTOR.



STATE OF HAWAII

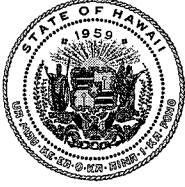
TIME OF PERFORMANCE

CONTRACTOR:

1. The term of this Contract for furnishing custodial services for the Hawaii Public Housing Authority's Central Offices at 1002 North School Street on Oahu shall be for a 12 month period beginning August 1, 2010 and ending July 31, 2011.
2. The option to extend the Contract will be at the sole discretion of the STATE. The Contract may be extended, without the necessity of rebidding, at the same rates as proposed in the original bid, unless price adjustments are made and approved as provided herein:

Initial term of Contract:	12 months
Length of each extension:	Up to 12 months (may be less than 12 months when it is in the best interests of the State)
Maximum length of contract:	36 months

3. The initial period shall commence on the contract start date of Notice to Proceed, whichever is later. The following conditions must be met for an extension:
 - a. The CONTRACTOR experienced cost savings and has unexpended funds available that can be used to provide additional services; or
 - b. The STATE determines there is an ongoing need for the services and has funds to extend services up to 12 months at a time. Contract extensions shall be awarded at the same or comparable rates as the primary Contract. Exceptions shall be granted upon satisfactory justification such as increase in cost of services or cost of living increase.
 - c. A Supplemental Contract must be executed prior to expiration of the primary Contract; and
 - d. The STATE may be required to obtain HUD approval in writing of the extension prior to execution of a Supplemental Contract; and
 - e. The CONTRACTOR must obtain the STATE's approval in writing and a notice to proceed with the extension.



STATE OF HAWAII

CERTIFICATE OF EXEMPTION FROM CIVIL SERVICE

1. By Heads of Departments Delegated by the Director of the Department of Human Resources Development ("DHRD").*

Pursuant to a delegation of the authority by the Director of DHRD, I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, Hawaii Revised Statutes (HRS).

(Signature)

(Date)

(Print Name)

(Print Title)

* This part of the form may be used by all department heads and the heads of attached agencies to whom the Director of DHRD expressly has delegated authority to certify § 76-16, HRS, civil service exemptions. The specific paragraph(s) of § 76-16, HRS, upon which an exemption is based should be noted in the contract file. If an exemption is based on § 76-16(b)(15), the contract must meet the following conditions:

- (1) It involves the delivery of completed work or product by or during a specific time;
- (2) There is no employee-employer relationship; and
- (3) The authorized funding for the service is from other than the "A" or personal services cost element.

NOTE: Not all attached agencies have received a delegation under § 76-16(b)(15). If in doubt, attached agencies should check with the Director of DHRD prior to certifying an exemption under § 76-16(b)(15). Authority to certify exemptions under §§ 76-16(b)(2), and 76-16(b)(12), HRS, has not been delegated; only the Director of DHRD may certify §§ 76-16(b)(2), and 76-16(b)(12) exemptions.

2. By the Director of DHRD, State of Hawaii.

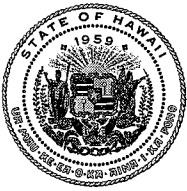
I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, HRS.

(Signature)

(Date)

(Print Name)

(Print Title, if designee of the Director of DHRD)



STATE OF HAWAII

SPECIAL CONDITIONS

CONTRACTOR:

1. The CONTRACTOR shall be required to attend quarterly meetings with the Officer-in-Charge (OIC). The day and time to be specified by the OIC. Site visits will be made, if necessary.
2. The OIC shall submit a report to the CONTRACTOR listing any discrepancies or Contract violation(s) which need correction. These discrepancies or Contract violation(s) must be corrected by the next reporting period for payment adjustment purposes. Liquidated damages shall apply for failure to comply.
3. The CONTRACTOR shall maintain insurance acceptable to STATE in full force and effect throughout the term of this Contract. The policies of insurance maintained by the CONTRACTOR shall provide the coverage.

<u>Coverage</u>	<u>Limit</u>
General Liability Insurance (occurrence form)	\$2,000,000.00 combined single limit per occurrence for bodily injury and property damage.
Automobile Insurance covering all owned, non-owned and hired automobiles.	Bodily injury liability limits of <u>\$1,000,000.00</u> each person and <u>\$1,000,000.00</u> per accident and property damage liability limits of <u>\$1,000,000.00</u> per accident OR \$2,000,000.00 combined single limit.
Workers Compensation as required by laws of the State of Hawaii.	Insurance to include Employer's Liability. Both such coverages shall apply to all employees of the CONTRACTOR and (in case any sub-contractor fails to provide adequate similar protection for all his employees) to all employees of sub-contractors.

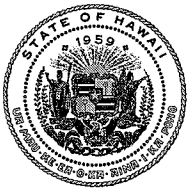
- a. The State of Hawaii, the Hawaii Public Housing Authority (HPHA), its elected and appointed officials, and employees are added as additional insured parties as to operations performed under this Contract. The CONTRACTOR agrees to provide the STATE before the effective date of the Contract, certificate(s) of insurance necessary to satisfy the STATE that the insurance provisions of this Contract have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with STATE during the entire term of this Contract. The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the Contract, including Supplemental Contracts. Upon request by STATE, the CONTRACTOR shall furnish a copy of the policy or policies.



STATE OF HAWAII

SPECIAL CONDITIONS

- b. Failure of the CONTRACTOR to provide and keep in force such insurance shall be regarded as material default under this Contract, entitling STATE to exercise any or all of the remedies provided in this Contract for default of the CONTRACTOR.
 - c. The procuring of such required policy or policies of insurance shall not be construed to limit CONTRACTOR'S liability hereunder or to fulfill the indemnification provisions and requirements of this Contract. Notwithstanding said policy or policies of insurance, CONTRACTOR shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.
 - d. The insurer shall notify STATE in writing of any cancellation or change in provisions thirty (30) calendar days prior to the effective date of such cancellation or change.
 - e. The Hawaii Public Housing Authority is a self insured State agency. The CONTRACTOR's insurance shall be primary. Any insurance maintained by the State of Hawaii shall apply in excess of, and shall not contribute with, insurance provided by the CONTRACTOR
4. The CONTRACTOR shall have a permanent office on the island of Oahu from where they conducts business and where they will be accessible to telephone calls for complaints or requests that need immediate attention. An answering service is not acceptable.
5. The work performed under this Contract is subject to the requirements or section 3 of the Housing and Urban Development Act of 1968, as amended 12 U.S.C. 1701u. The purpose of section 3 is to ensure that employment and other opportunities generated by HUD assistance covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly those who are recipients of HUD housing assistance.
6. The STATE shall monitor the performance of work on an ongoing basis through desk monitoring, site inspection and/or other appropriate methods.
7. Liquidated damages is fixed at the sum of One Hundred and no/100 Dollars (\$100.00) for each and every day the CONTRACTOR fails to perform in whole or in part any of its obligations, which liquidated damages may be deducted from any payments due or to become due to the CONTRACTOR.
8. The CONTRACTOR shall repair all damages caused by CONTRACTOR'S equipment or employees to existing utilities and structures, such as water lines, electric conduits, sewer lines, and buildings. If such repairs are not completed within a reasonable time, STATE reserves the right to purchase services for the necessary repairs from the open market and to deduct all repairs costs from moneys due or may thereafter become due to CONTRACTOR. In the event money due CONTRACTOR is insufficient for the purpose, CONTRACTOR shall pay the difference upon demand by STATE.



STATE OF HAWAII

SPECIAL CONDITIONS

9. The STATE reserves the right to terminate any agreement without penalty for cause or convenience as provided in the general conditions. The Contracting Officer will give sixty (60) days advance written notice of termination to the CONTRACTOR specifying the extent of work to be terminated (in whole or in part). The CONTRACTOR shall incur no further obligations on the terminated work on the date set in the notice and the CONTRACTOR shall cease work to the extent specified. The CONTRACTOR will be compensated for services rendered and/or supplies delivered prior to the termination date in accordance with the General Conditions. Use of this section in no way implies that the STATE has breached the Contract by exercise of the Termination for Convenience clause.

GENERAL CONDITIONS

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GENERAL CONDITIONS

1. Coordination of Services by the STATE. The head of the purchasing agency ("HOPA") (which term includes the designee of the HOPA) shall coordinate the services to be provided by the CONTRACTOR in order to complete the performance required in the Contract. The CONTRACTOR shall maintain communications with HOPA at all stages of the CONTRACTOR'S work, and submit to HOPA for resolution any questions which may arise as to the performance of this Contract. "Purchasing agency" as used in these General Conditions means and includes any governmental body which is authorized under chapter 103D, HRS, or its implementing rules and procedures, or by way of delegation, to enter into contracts for the procurement of goods or services or both.
2. Relationship of Parties: Independent Contractor Status and Responsibilities, Including Tax Responsibilities.
 - a. In the performance of services required under this Contract, the CONTRACTOR is an "independent contractor," with the authority and responsibility to control and direct the performance and details of the work and services required under this Contract; however, the STATE shall have a general right to inspect work in progress to determine whether, in the STATE'S opinion, the services are being performed by the CONTRACTOR in compliance with this Contract. Unless otherwise provided by special condition, it is understood that the STATE does not agree to use the CONTRACTOR exclusively, and that the CONTRACTOR is free to contract to provide services to other individuals or entities while under contract with the STATE.
 - b. The CONTRACTOR and the CONTRACTOR'S employees and agents are not by reason of this Contract, agents or employees of the State for any purpose, and the CONTRACTOR and the CONTRACTOR'S employees and agents shall not be entitled to claim or receive from the State any vacation, sick leave, retirement, workers' compensation, unemployment insurance, or other benefits provided to state employees.
 - c. The CONTRACTOR shall be responsible for the accuracy, completeness, and adequacy of the CONTRACTOR'S performance under this Contract. Furthermore, the CONTRACTOR intentionally, voluntarily, and knowingly assumes the sole and entire liability to the CONTRACTOR'S employees and agents, and to any individual not a party to this Contract, for all loss, damage, or injury caused by the CONTRACTOR, or the CONTRACTOR'S employees or agents in the course of their employment.
 - d. The CONTRACTOR shall be responsible for payment of all applicable federal, state, and county taxes and fees which may become due and owing by the CONTRACTOR by reason of this Contract, including but not limited to (i) income taxes, (ii) employment related fees, assessments, and taxes, and (iii) general excise taxes. The CONTRACTOR also is responsible for obtaining all licenses, permits, and certificates that may be required in order to perform this Contract.
 - e. The CONTRACTOR shall obtain a general excise tax license from the Department of Taxation, State of Hawaii, in accordance with section 237-9, HRS, and shall comply with all requirements thereof. The CONTRACTOR shall obtain a tax clearance certificate from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of the Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR have been paid and submit the same to the STATE prior to commencing any performance under this Contract. The CONTRACTOR shall also be solely responsible for meeting all requirements necessary to obtain the tax clearance certificate required for final payment under sections 103-53 and 103D-328, HRS, and paragraph 17 of these General Conditions.
 - f. The CONTRACTOR is responsible for securing all employee-related insurance coverage for the CONTRACTOR and the CONTRACTOR'S employees and agents that is or may be required by law, and for payment of all premiums, costs, and other liabilities associated with securing the insurance coverage.

- g. The CONTRACTOR shall obtain a certificate of compliance issued by the Department of Labor and Industrial Relations, State of Hawaii, in accordance with section 103D-310, HRS, and section 3-122-112, HAR, that is current within six months of the date of issuance.
- h. The CONTRACTOR shall obtain a certificate of good standing issued by the Department of Commerce and Consumer Affairs, State of Hawaii, in accordance with section 103D-310, HRS, and section 3-122-112, HAR, that is current within six months of the date of issuance.
- i. In lieu of the above certificates from the Department of Taxation, Labor and Industrial Relations, and Commerce and Consumer Affairs, the CONTRACTOR may submit proof of compliance through the State Procurement Office's designated certification process.

3. Personnel Requirements.

- a. The CONTRACTOR shall secure, at the CONTRACTOR'S own expense, all personnel required to perform this Contract.
- b. The CONTRACTOR shall ensure that the CONTRACTOR'S employees or agents are experienced and fully qualified to engage in the activities and perform the services required under this Contract, and that all applicable licensing and operating requirements imposed or required under federal, state, or county law, and all applicable accreditation and other standards of quality generally accepted in the field of the activities of such employees and agents are complied with and satisfied.

4. Nondiscrimination. No person performing work under this Contract, including any subcontractor, employee, or agent of the CONTRACTOR, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

5. Conflicts of Interest. The CONTRACTOR represents that neither the CONTRACTOR, nor any employee or agent of the CONTRACTOR, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or might conflict in any manner or degree with the CONTRACTOR'S performance under this Contract.

6. Subcontracts and Assignments. The CONTRACTOR shall not assign or subcontract any of the CONTRACTOR'S duties, obligations, or interests under this Contract and no such assignment or subcontract shall be effective unless (i) the CONTRACTOR obtains the prior written consent of the STATE, and (ii) the CONTRACTOR'S assignee or subcontractor submits to the STATE a tax clearance certificate from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR'S assignee or subcontractor have been paid. Additionally, no assignment by the CONTRACTOR of the CONTRACTOR'S right to compensation under this Contract shall be effective unless and until the assignment is approved by the Comptroller of the State of Hawaii, as provided in section 40-58, HRS.

- a. Recognition of a successor in interest. When in the best interest of the State, a successor in interest may be recognized in an assignment contract in which the STATE, the CONTRACTOR and the assignee or transferee (hereinafter referred to as the "Assignee") agree that:

- (1) The Assignee assumes all of the CONTRACTOR'S obligations;
- (2) The CONTRACTOR remains liable for all obligations under this Contract but waives all rights under this Contract as against the STATE; and
- (3) The CONTRACTOR shall continue to furnish, and the Assignee shall also furnish, all required bonds.

- b. Change of name. When the CONTRACTOR asks to change the name in which it holds this Contract with the STATE, the procurement officer of the purchasing agency (hereinafter referred to as the "Agency procurement officer") shall, upon receipt of a document acceptable or satisfactory to the

Agency procurement officer indicating such change of name (for example, an amendment to the CONTRACTOR'S articles of incorporation), enter into an amendment to this Contract with the CONTRACTOR to effect such a change of name. The amendment to this Contract changing the CONTRACTOR'S name shall specifically indicate that no other terms and conditions of this Contract are thereby changed.

- c. Reports. All assignment contracts and amendments to this Contract effecting changes of the CONTRACTOR'S name or novations hereunder shall be reported to the chief procurement officer (CPO) as defined in section 103D-203(a), HRS, within thirty days of the date that the assignment contract or amendment becomes effective.
 - d. Actions affecting more than one purchasing agency. Notwithstanding the provisions of subparagraphs 6a through 6c herein, when the CONTRACTOR holds contracts with more than one purchasing agency of the State, the assignment contracts and the novation and change of name amendments herein authorized shall be processed only through the CPO's office.
- 7. Indemnification and Defense. The CONTRACTOR shall defend, indemnify, and hold harmless the State of Hawaii, the contracting agency, and their officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefore, arising out of or resulting from the acts or omissions of the CONTRACTOR or the CONTRACTOR'S employees, officers, agents, or subcontractors under this Contract. The provisions of this paragraph shall remain in full force and effect notwithstanding the expiration or early termination of this Contract.
 - 8. Cost of Litigation. In case the STATE shall, without any fault on its part, be made a party to any litigation commenced by or against the CONTRACTOR in connection with this Contract, the CONTRACTOR shall pay all costs and expenses incurred by or imposed on the STATE, including attorneys' fees.
 - 9. Liquidated Damages. When the CONTRACTOR is given notice of delay or nonperformance as specified in paragraph 13 (Termination for Default) and fails to cure in the time specified, it is agreed the CONTRACTOR shall pay to the STATE the amount, if any, set forth in this Contract per calendar day from the date set for cure until either (i) the STATE reasonably obtains similar goods or services, or both, if the CONTRACTOR is terminated for default, or (ii) until the CONTRACTOR provides the goods or services, or both, if the CONTRACTOR is not terminated for default. To the extent that the CONTRACTOR'S delay or nonperformance is excused under paragraph 13d (Excuse for Nonperformance or Delay Performance), liquidated damages shall not be assessable against the CONTRACTOR. The CONTRACTOR remains liable for damages caused other than by delay.
 - 10. STATE'S Right of Offset. The STATE may offset against any monies or other obligations the STATE owes to the CONTRACTOR under this Contract, any amounts owed to the State of Hawaii by the CONTRACTOR under this Contract or any other contracts, or pursuant to any law or other obligation owed to the State of Hawaii by the CONTRACTOR, including, without limitation, the payment of any taxes or levies of any kind or nature. The STATE will notify the CONTRACTOR in writing of any offset and the nature of such offset. For purposes of this paragraph, amounts owed to the State of Hawaii shall not include debts or obligations which have been liquidated, agreed to by the CONTRACTOR, and are covered by an installment payment or other settlement plan approved by the State of Hawaii, provided, however, that the CONTRACTOR shall be entitled to such exclusion only to the extent that the CONTRACTOR is current with, and not delinquent on, any payments or obligations owed to the State of Hawaii under such payment or other settlement plan.
 - 11. Disputes. Disputes shall be resolved in accordance with section 103D-703, HRS, and chapter 3-126, Hawaii Administrative Rules ("HAR"), as the same may be amended from time to time.
 - 12. Suspension of Contract. The STATE reserves the right at any time and for any reason to suspend this Contract for any reasonable period, upon written notice to the CONTRACTOR in accordance with the provisions herein.
 - a. Order to stop performance. The Agency procurement officer may, by written order to the CONTRACTOR, at any time, and without notice to any surety, require the CONTRACTOR to stop all or any part of the performance called for by this Contract. This order shall be for a specified period

not exceeding sixty (60) days after the order is delivered to the CONTRACTOR, unless the parties agree to any further period. Any such order shall be identified specifically as a stop performance order issued pursuant to this section. Stop performance orders shall include, as appropriate: (1) A clear description of the work to be suspended; (2) Instructions as to the issuance of further orders by the CONTRACTOR for material or services; (3) Guidance as to action to be taken on subcontracts; and (4) Other instructions and suggestions to the CONTRACTOR for minimizing costs. Upon receipt of such an order, the CONTRACTOR shall forthwith comply with its terms and suspend all performance under this Contract at the time stated, provided, however, the CONTRACTOR shall take all reasonable steps to minimize the occurrence of costs allocable to the performance covered by the order during the period of performance stoppage. Before the stop performance order expires, or within any further period to which the parties shall have agreed, the Agency procurement officer shall either:

- (1) Cancel the stop performance order; or
- (2) Terminate the performance covered by such order as provided in the termination for default provision or the termination for convenience provision of this Contract.

b. Cancellation or expiration of the order. If a stop performance order issued under this section is cancelled at any time during the period specified in the order, or if the period of the order or any extension thereof expires, the CONTRACTOR shall have the right to resume performance. An appropriate adjustment shall be made in the delivery schedule or contract price, or both, and the Contract shall be modified in writing accordingly, if:

- (1) The stop performance order results in an increase in the time required for, or in the CONTRACTOR'S cost properly allocable to, the performance of any part of this Contract; and
- (2) The CONTRACTOR asserts a claim for such an adjustment within thirty (30) days after the end of the period of performance stoppage; provided that, if the Agency procurement officer decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this Contract.

c. Termination of stopped performance. If a stop performance order is not cancelled and the performance covered by such order is terminated for default or convenience, the reasonable costs resulting from the stop performance order shall be allowable by adjustment or otherwise.

d. Adjustment of price. Any adjustment in contract price made pursuant to this paragraph shall be determined in accordance with the price adjustment provision of this Contract.

13. Termination for Default.

a. Default. If the CONTRACTOR refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure its completion within the time specified in this Contract, or any extension thereof, otherwise fails to timely satisfy the Contract provisions, or commits any other substantial breach of this Contract, the Agency procurement officer may notify the CONTRACTOR in writing of the delay or non-performance and if not cured in ten (10) days or any longer time specified in writing by the Agency procurement officer, such officer may terminate the CONTRACTOR'S right to proceed with the Contract or such part of the Contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part, the Agency procurement officer may procure similar goods or services in a manner and upon the terms deemed appropriate by the Agency procurement officer. The CONTRACTOR shall continue performance of the Contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services.

b. CONTRACTOR'S duties. Notwithstanding termination of the Contract and subject to any directions from the Agency procurement officer, the CONTRACTOR shall take timely, reasonable, and necessary action to protect and preserve property in the possession of the CONTRACTOR in which the STATE has an interest.

- c. Compensation. Payment for completed goods and services delivered and accepted by the STATE shall be at the price set forth in the Contract. Payment for the protection and preservation of property shall be in an amount agreed upon by the CONTRACTOR and the Agency procurement officer. If the parties fail to agree, the Agency procurement officer shall set an amount subject to the CONTRACTOR'S rights under chapter 3-126, HAR. The STATE may withhold from amounts due the CONTRACTOR such sums as the Agency procurement officer deems to be necessary to protect the STATE against loss because of outstanding liens or claims and to reimburse the STATE for the excess costs expected to be incurred by the STATE in procuring similar goods and services.
- d. Excuse for nonperformance or delayed performance. The CONTRACTOR shall not be in default by reason of any failure in performance of this Contract in accordance with its terms, including any failure by the CONTRACTOR to make progress in the prosecution of the performance hereunder which endangers such performance, if the CONTRACTOR has notified the Agency procurement officer within fifteen (15) days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of a public enemy; acts of the State and any other governmental body in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform is caused by the failure of a subcontractor to perform or to make progress, and if such failure arises out of causes similar to those set forth above, the CONTRACTOR shall not be deemed to be in default, unless the goods and services to be furnished by the subcontractor were reasonably obtainable from other sources in sufficient time to permit the CONTRACTOR to meet the requirements of the Contract. Upon request of the CONTRACTOR, the Agency procurement officer shall ascertain the facts and extent of such failure, and, if such officer determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the CONTRACTOR'S progress and performance would have met the terms of the Contract, the delivery schedule shall be revised accordingly, subject to the rights of the STATE under this Contract. As used in this paragraph, the term "subcontractor" means subcontractor at any tier.
- e. Erroneous termination for default. If, after notice of termination of the CONTRACTOR'S right to proceed under this paragraph, it is determined for any reason that the CONTRACTOR was not in default under this paragraph, or that the delay was excusable under the provisions of subparagraph 13d, "Excuse for nonperformance or delayed performance," the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to paragraph 14.
- f. Additional rights and remedies. The rights and remedies provided in this paragraph are in addition to any other rights and remedies provided by law or under this Contract.

14. Termination for Convenience.

- a. Termination. The Agency procurement officer may, when the interests of the STATE so require, terminate this Contract in whole or in part, for the convenience of the STATE. The Agency procurement officer shall give written notice of the termination to the CONTRACTOR specifying the part of the Contract terminated and when termination becomes effective.
- b. CONTRACTOR'S obligations. The CONTRACTOR shall incur no further obligations in connection with the terminated performance and on the date(s) set in the notice of termination the CONTRACTOR will stop performance to the extent specified. The CONTRACTOR shall also terminate outstanding orders and subcontracts as they relate to the terminated performance. The CONTRACTOR shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated performance subject to the STATE'S approval. The Agency procurement officer may direct the CONTRACTOR to assign the CONTRACTOR'S right, title, and interest under terminated orders or subcontracts to the STATE. The CONTRACTOR must still complete the performance not terminated by the notice of termination and may incur obligations as necessary to do so.
- c. Right to goods and work product. The Agency procurement officer may require the CONTRACTOR to transfer title and deliver to the STATE in the manner and to the extent directed by the Agency procurement officer:

- (1) Any completed goods or work product; and
- (2) The partially completed goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing material") as the CONTRACTOR has specifically produced or specially acquired for the performance of the terminated part of this Contract.

The CONTRACTOR shall, upon direction of the Agency procurement officer, protect and preserve property in the possession of the CONTRACTOR in which the STATE has an interest. If the Agency procurement officer does not exercise this right, the CONTRACTOR shall use best efforts to sell such goods and manufacturing materials. Use of this paragraph in no way implies that the STATE has breached the Contract by exercise of the termination for convenience provision.

d. Compensation.

- (1) The CONTRACTOR shall submit a termination claim specifying the amounts due because of the termination for convenience together with the cost or pricing data, submitted to the extent required by chapter 3-122, HAR, bearing on such claim. If the CONTRACTOR fails to file a termination claim within one year from the effective date of termination, the Agency procurement officer may pay the CONTRACTOR, if at all, an amount set in accordance with subparagraph 14d(3) below.
- (2) The Agency procurement officer and the CONTRACTOR may agree to a settlement provided the CONTRACTOR has filed a termination claim supported by cost or pricing data submitted as required and that the settlement does not exceed the total Contract price plus settlement costs reduced by payments previously made by the STATE, the proceeds of any sales of goods and manufacturing materials under subparagraph 14c, and the Contract price of the performance not terminated.
- (3) Absent complete agreement under subparagraph 14d(2) the Agency procurement officer shall pay the CONTRACTOR the following amounts, provided payments agreed to under subparagraph 14d(2) shall not duplicate payments under this subparagraph for the following:
 - (A) Contract prices for goods or services accepted under the Contract;
 - (B) Costs incurred in preparing to perform and performing the terminated portion of the performance plus a fair and reasonable profit on such portion of the performance, such profit shall not include anticipatory profit or consequential damages, less amounts paid or to be paid for accepted goods or services; provided, however, that if it appears that the CONTRACTOR would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss;
 - (C) Costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to subparagraph 14b. These costs must not include costs paid in accordance with subparagraph 14d(3)(B);
 - (D) The reasonable settlement costs of the CONTRACTOR, including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the Contract and for the termination of subcontracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this Contract. The total sum to be paid the CONTRACTOR under this subparagraph shall not exceed the total Contract price plus the reasonable settlement costs of the CONTRACTOR reduced by the amount of payments otherwise made, the proceeds of any sales of

supplies and manufacturing materials under subparagraph 14d(2), and the contract price of performance not terminated.

- (4) Costs claimed, agreed to, or established under subparagraphs 14d(2) and 14d(3) shall be in accordance with Chapter 3-123 (Cost Principles) of the Procurement Rules.

15. Claims Based on the Agency Procurement Officer's Actions or Omissions.

- a. Changes in scope. If any action or omission on the part of the Agency procurement officer (which term includes the designee of such officer for purposes of this paragraph 15) requiring performance changes within the scope of the Contract constitutes the basis for a claim by the CONTRACTOR for additional compensation, damages, or an extension of time for completion, the CONTRACTOR shall continue with performance of the Contract in compliance with the directions or orders of such officials, but by so doing, the CONTRACTOR shall not be deemed to have prejudiced any claim for additional compensation, damages, or an extension of time for completion; provided:
 - (1) Written notice required. The CONTRACTOR shall give written notice to the Agency procurement officer:
 - (A) Prior to the commencement of the performance involved, if at that time the CONTRACTOR knows of the occurrence of such action or omission;
 - (B) Within thirty (30) days after the CONTRACTOR knows of the occurrence of such action or omission, if the CONTRACTOR did not have such knowledge prior to the commencement of the performance; or
 - (C) Within such further time as may be allowed by the Agency procurement officer in writing.
 - (2) Notice content. This notice shall state that the CONTRACTOR regards the act or omission as a reason which may entitle the CONTRACTOR to additional compensation, damages, or an extension of time. The Agency procurement officer, upon receipt of such notice, may rescind such action, remedy such omission, or take such other steps as may be deemed advisable in the discretion of the Agency procurement officer;
 - (3) Basis must be explained. The notice required by subparagraph 15a(1) describes as clearly as practicable at the time the reasons why the CONTRACTOR believes that additional compensation, damages, or an extension of time may be remedies to which the CONTRACTOR is entitled; and
 - (4) Claim must be justified. The CONTRACTOR must maintain and, upon request, make available to the Agency procurement officer within a reasonable time, detailed records to the extent practicable, and other documentation and evidence satisfactory to the STATE, justifying the claimed additional costs or an extension of time in connection with such changes.
 - b. CONTRACTOR not excused. Nothing herein contained, however, shall excuse the CONTRACTOR from compliance with any rules or laws precluding any state officers and CONTRACTOR from acting in collusion or bad faith in issuing or performing change orders which are clearly not within the scope of the Contract.
 - c. Price adjustment. Any adjustment in the price made pursuant to this paragraph shall be determined in accordance with the price adjustment provision of this Contract.
16. Costs and Expenses. Any reimbursement due the CONTRACTOR for per diem and transportation expenses under this Contract shall be subject to chapter 3-123 (Cost Principles), HAR, and the following guidelines:
- a. Reimbursement for air transportation shall be for actual cost or coach class air fare, whichever is less.

- b. Reimbursement for ground transportation costs shall not exceed the actual cost of renting an intermediate-sized vehicle.
- c. Unless prior written approval of the HOPA is obtained, reimbursement for subsistence allowance (i.e., hotel and meals, etc.) shall not exceed the applicable daily authorized rates for inter-island or out-of-state travel that are set forth in the current Governor's Executive Order authorizing adjustments in salaries and benefits for state officers and employees in the executive branch who are excluded from collective bargaining coverage.

17. Payment Procedures; Final Payment; Tax Clearance.

- a. Original invoices required. All payments under this Contract shall be made only upon submission by the CONTRACTOR of original invoices specifying the amount due and certifying that services requested under the Contract have been performed by the CONTRACTOR according to the Contract.
- b. Subject to available funds. Such payments are subject to availability of funds and allotment by the Director of Finance in accordance with chapter 37, HRS. Further, all payments shall be made in accordance with and subject to chapter 40, HRS.
- c. Prompt payment.
 - (1) Any money, other than retainage, paid to the CONTRACTOR shall be disbursed to subcontractors within ten (10) days after receipt of the money in accordance with the terms of the subcontract; provided that the subcontractor has met all the terms and conditions of the subcontract and there are no bona fide disputes; and
 - (2) Upon final payment to the CONTRACTOR, full payment to the subcontractor, including retainage, shall be made within ten (10) days after receipt of the money; provided that there are no bona fide disputes over the subcontractor's performance under the subcontract.
- d. Final payment. Final payment under this Contract shall be subject to sections 103-53 and 103D-328, HRS, which require a tax clearance from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR have been paid. Further, in accordance with section 3-122-112, HAR, CONTRACTOR shall provide a certificate affirming that the CONTRACTOR has remained in compliance with all applicable laws as required by this section.

18. Federal Funds. If this Contract is payable in whole or in part from federal funds, CONTRACTOR agrees that, as to the portion of the compensation under this Contract to be payable from federal funds, the CONTRACTOR shall be paid only from such funds received from the federal government, and shall not be paid from any other funds. Failure of the STATE to receive anticipated federal funds shall not be considered a breach by the STATE or an excuse for nonperformance by the CONTRACTOR.

19. Modifications of Contract.

- a. In writing. Any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract permitted by this Contract shall be made by written amendment to this Contract, signed by the CONTRACTOR and the STATE, provided that change orders shall be made in accordance with paragraph 20 herein.
- b. No oral modification. No oral modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract shall be permitted.
- c. Agency procurement officer. By written order, at any time, and without notice to any surety, the Agency procurement officer may unilaterally order of the CONTRACTOR:

- (A) Changes in the work within the scope of the Contract; and
 - (B) Changes in the time of performance of the Contract that do not alter the scope of the Contract work.
- d. Adjustments of price or time for performance. If any modification increases or decreases the CONTRACTOR'S cost of, or the time required for, performance of any part of the work under this Contract, an adjustment shall be made and this Contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined, where applicable, in accordance with the price adjustment clause of this Contract or as negotiated.
 - e. Claim barred after final payment. No claim by the CONTRACTOR for an adjustment hereunder shall be allowed if written modification of the Contract is not made prior to final payment under this Contract.
 - f. Claims not barred. In the absence of a written contract modification, nothing in this clause shall be deemed to restrict the CONTRACTOR'S right to pursue a claim under this Contract or for a breach of contract.
 - g. CPO approval. If this is a professional services contract awarded pursuant to section 103D-303 or 103D-304, HRS, any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract which increases the amount payable to the CONTRACTOR by at least \$25,000.00 or ten per cent (10%) of the initial contract price, whichever increase is higher, must receive the prior approval of the CPO.
 - h. Tax clearance. The STATE may, at its discretion, require the CONTRACTOR to submit to the STATE, prior to the STATE'S approval of any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract, a tax clearance from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR have been paid.
 - i. Sole source contracts. Amendments to sole source contracts that would change the original scope of the Contract may only be made with the approval of the CPO. Annual renewal of a sole source contract for services should not be submitted as an amendment.
20. Change Order. The Agency procurement officer may, by a written order signed only by the STATE, at any time, and without notice to any surety, and subject to all appropriate adjustments, make changes within the general scope of this Contract in any one or more of the following:
- (1) Drawings, designs, or specifications, if the goods or services to be furnished are to be specially provided to the STATE in accordance therewith;
 - (2) Method of delivery; or
 - (3) Place of delivery.
- a. Adjustments of price or time for performance. If any change order increases or decreases the CONTRACTOR'S cost of, or the time required for, performance of any part of the work under this Contract, whether or not changed by the order, an adjustment shall be made and the Contract modified in writing accordingly. Any adjustment in the Contract price made pursuant to this provision shall be determined in accordance with the price adjustment provision of this Contract. Failure of the parties to agree to an adjustment shall not excuse the CONTRACTOR from proceeding with the Contract as changed, provided that the Agency procurement officer promptly and duly makes the provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the CONTRACTOR shall not be deemed to have prejudiced any claim for additional compensation, or any extension of time for completion.

- b. Time period for claim. Within ten (10) days after receipt of a written change order under subparagraph 20a, unless the period is extended by the Agency procurement officer in writing, the CONTRACTOR shall respond with a claim for an adjustment. The requirement for a timely written response by CONTRACTOR cannot be waived and shall be a condition precedent to the assertion of a claim.
- c. Claim barred after final payment. No claim by the CONTRACTOR for an adjustment hereunder shall be allowed if a written response is not given prior to final payment under this Contract.
- d. Other claims not barred. In the absence of a change order, nothing in this paragraph 20 shall be deemed to restrict the CONTRACTOR'S right to pursue a claim under the Contract or for breach of contract.

21. Price Adjustment.

- a. Price adjustment. Any adjustment in the contract price pursuant to a provision in this Contract shall be made in one or more of the following ways:
 - (1) By agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;
 - (2) By unit prices specified in the Contract or subsequently agreed upon;
 - (3) By the costs attributable to the event or situation covered by the provision, plus appropriate profit or fee, all as specified in the Contract or subsequently agreed upon;
 - (4) In such other manner as the parties may mutually agree; or
 - (5) In the absence of agreement between the parties, by a unilateral determination by the Agency procurement officer of the costs attributable to the event or situation covered by the provision, plus appropriate profit or fee, all as computed by the Agency procurement officer in accordance with generally accepted accounting principles and applicable sections of chapters 3-123 and 3-126, HAR.
- b. Submission of cost or pricing data. The CONTRACTOR shall provide cost or pricing data for any price adjustments subject to the provisions of chapter 3-122, HAR.

22. Variation in Quantity for Definite Quantity Contracts. Upon the agreement of the STATE and the CONTRACTOR, the quantity of goods or services, or both, if a definite quantity is specified in this Contract, may be increased by a maximum of ten per cent (10%); provided the unit prices will remain the same except for any price adjustments otherwise applicable; and the Agency procurement officer makes a written determination that such an increase will either be more economical than awarding another contract or that it would not be practical to award another contract.

23. Changes in Cost-Reimbursement Contract. If this Contract is a cost-reimbursement contract, the following provisions shall apply:

- a. The Agency procurement officer may at any time by written order, and without notice to the sureties, if any, make changes within the general scope of the Contract in any one or more of the following:
 - (1) Description of performance (Attachment 1);
 - (2) Time of performance (i.e., hours of the day, days of the week, etc.);
 - (3) Place of performance of services;

- (4) Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for the STATE in accordance with the drawings, designs, or specifications;
 - (5) Method of shipment or packing of supplies; or
 - (6) Place of delivery.
- b. If any change causes an increase or decrease in the estimated cost of, or the time required for performance of, any part of the performance under this Contract, whether or not changed by the order, or otherwise affects any other terms and conditions of this Contract, the Agency procurement officer shall make an equitable adjustment in the (1) estimated cost, delivery or completion schedule, or both; (2) amount of any fixed fee; and (3) other affected terms and shall modify the Contract accordingly.
 - c. The CONTRACTOR must assert the CONTRACTOR'S rights to an adjustment under this provision within thirty (30) days from the day of receipt of the written order. However, if the Agency procurement officer decides that the facts justify it, the Agency procurement officer may receive and act upon a proposal submitted before final payment under the Contract.
 - d. Failure to agree to any adjustment shall be a dispute under paragraph 11 of this Contract. However, nothing in this provision shall excuse the CONTRACTOR from proceeding with the Contract as changed.
 - e. Notwithstanding the terms and conditions of subparagraphs 23a and 23b, the estimated cost of this Contract and, if this Contract is incrementally funded, the funds allotted for the performance of this Contract, shall not be increased or considered to be increased except by specific written modification of the Contract indicating the new contract estimated cost and, if this contract is incrementally funded, the new amount allotted to the contract.
24. Confidentiality of Material.
- a. All material given to or made available to the CONTRACTOR by virtue of this Contract, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the STATE.
 - b. All information, data, or other material provided by the CONTRACTOR to the STATE shall be subject to the Uniform Information Practices Act, chapter 92F, HRS.
25. Publicity. The CONTRACTOR shall not refer to the STATE, or any office, agency, or officer thereof, or any state employee, including the HOPA, the CPO, the Agency procurement officer, or to the services or goods, or both, provided under this Contract, in any of the CONTRACTOR'S brochures, advertisements, or other publicity of the CONTRACTOR. All media contacts with the CONTRACTOR about the subject matter of this Contract shall be referred to the Agency procurement officer.
26. Ownership Rights and Copyright. The STATE shall have complete ownership of all material, both finished and unfinished, which is developed, prepared, assembled, or conceived by the CONTRACTOR pursuant to this Contract, and all such material shall be considered "works made for hire." All such material shall be delivered to the STATE upon expiration or termination of this Contract. The STATE, in its sole discretion, shall have the exclusive right to copyright any product, concept, or material developed, prepared, assembled, or conceived by the CONTRACTOR pursuant to this Contract.
27. Liens and Warranties. Goods provided under this Contract shall be provided free of all liens and provided together with all applicable warranties, or with the warranties described in the Contract documents, whichever are greater.
28. Audit of Books and Records of the CONTRACTOR. The STATE may, at reasonable times and places, audit the books and records of the CONTRACTOR, prospective contractor, subcontractor, or prospective subcontractor which are related to:

- a. The cost or pricing data, and
- b. A state contract, including subcontracts, other than a firm fixed-price contract.

29. Cost or Pricing Data. Cost or pricing data must be submitted to the Agency procurement officer and timely certified as accurate for contracts over \$100,000 unless the contract is for a multiple-term or as otherwise specified by the Agency procurement officer. Unless otherwise required by the Agency procurement officer, cost or pricing data submission is not required for contracts awarded pursuant to competitive sealed bid procedures.

If certified cost or pricing data are subsequently found to have been inaccurate, incomplete, or noncurrent as of the date stated in the certificate, the STATE is entitled to an adjustment of the contract price, including profit or fee, to exclude any significant sum by which the price, including profit or fee, was increased because of the defective data. It is presumed that overstated cost or pricing data increased the contract price in the amount of the defect plus related overhead and profit or fee. Therefore, unless there is a clear indication that the defective data was not used or relied upon, the price will be reduced in such amount.

30. Audit of Cost or Pricing Data. When cost or pricing principles are applicable, the STATE may require an audit of cost or pricing data.

31. Records Retention.

- (1) Upon any termination of this Contract or as otherwise required by applicable law, CONTRACTOR shall, pursuant to chapter 487R, HRS, destroy all copies (paper or electronic form) of personal information received from the STATE.
- (2) The CONTRACTOR and any subcontractors shall maintain the files, books, and records that relate to the Contract, including any personal information created or received by the CONTRACTOR on behalf of the STATE, and any cost or pricing data, for at least three (3) years after the date of final payment under the Contract. The personal information shall continue to be confidential and shall only be disclosed as permitted or required by law. After the three (3) year, or longer retention period as required by law has ended, the files, books, and records that contain personal information shall be destroyed pursuant to chapter 487R, HRS or returned to the STATE at the request of the STATE.

32. Antitrust Claims. The STATE and the CONTRACTOR recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the purchaser. Therefore, the CONTRACTOR hereby assigns to STATE any and all claims for overcharges as to goods and materials purchased in connection with this Contract, except as to overcharges which result from violations commencing after the price is established under this Contract and which are not passed on to the STATE under an escalation clause.

33. Patented Articles. The CONTRACTOR shall defend, indemnify, and hold harmless the STATE, and its officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorneys fees, and all claims, suits, and demands arising out of or resulting from any claims, demands, or actions by the patent holder for infringement or other improper or unauthorized use of any patented article, patented process, or patented appliance in connection with this Contract. The CONTRACTOR shall be solely responsible for correcting or curing to the satisfaction of the STATE any such infringement or improper or unauthorized use, including, without limitation: (a) furnishing at no cost to the STATE a substitute article, process, or appliance acceptable to the STATE, (b) paying royalties or other required payments to the patent holder, (c) obtaining proper authorizations or releases from the patent holder, and (d) furnishing such security to or making such arrangements with the patent holder as may be necessary to correct or cure any such infringement or improper or unauthorized use.

34. Governing Law. The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties to this Contract, shall be governed by the laws of the State of Hawaii. Any action at law or in equity to enforce or interpret the provisions of this Contract shall be brought in a state court of competent jurisdiction in Honolulu, Hawaii.

35. Compliance with Laws. The CONTRACTOR shall comply with all federal, state, and county laws, ordinances, codes, rules, and regulations, as the same may be amended from time to time, that in any way affect the CONTRACTOR'S performance of this Contract.
36. Conflict Between General Conditions and Procurement Rules. In the event of a conflict between the General Conditions and the procurement rules, the procurement rules in effect on the date this Contract became effective shall control and are hereby incorporated by reference.
37. Entire Contract. This Contract sets forth all of the agreements, conditions, understandings, promises, warranties, and representations between the STATE and the CONTRACTOR relative to this Contract. This Contract supersedes all prior agreements, conditions, understandings, promises, warranties, and representations, which shall have no further force or effect. There are no agreements, conditions, understandings, promises, warranties, or representations, oral or written, express or implied, between the STATE and the CONTRACTOR other than as set forth or as referred to herein.
38. Severability. In the event that any provision of this Contract is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this Contract.
39. Waiver. The failure of the STATE to insist upon the strict compliance with any term, provision, or condition of this Contract shall not constitute or be deemed to constitute a waiver or relinquishment of the STATE'S right to enforce the same in accordance with this Contract. The fact that the STATE specifically refers to one provision of the procurement rules or one section of the Hawaii Revised Statutes, and does not include other provisions or statutory sections in this Contract shall not constitute a waiver or relinquishment of the STATE'S rights or the CONTRACTOR'S obligations under the procurement rules or statutes.
40. Pollution Control. If during the performance of this Contract, the CONTRACTOR encounters a "release" or a "threatened release" of a reportable quantity of a "hazardous substance," "pollutant," or "contaminant" as those terms are defined in section 128D-1, HRS, the CONTRACTOR shall immediately notify the STATE and all other appropriate state, county, or federal agencies as required by law. The Contractor shall take all necessary actions, including stopping work, to avoid causing, contributing to, or making worse a release of a hazardous substance, pollutant, or contaminant, and shall promptly obey any orders the Environmental Protection Agency or the state Department of Health issues in response to the release. In the event there is an ensuing cease-work period, and the STATE determines that this Contract requires an adjustment of the time for performance, the Contract shall be modified in writing accordingly.
41. Campaign Contributions. The CONTRACTOR is hereby notified of the applicability of 11-205.5, HRS, which states that campaign contributions are prohibited from specified state or county government contractors during the terms of their contracts if the contractors are paid with funds appropriated by a legislative body.
42. Confidentiality of Personal Information.
- a. Definitions.
- "Personal information" means an individual's first name or first initial and last name in combination with any one or more of the following data elements, when either name or data elements are not encrypted:
- (1) Social security number;
 - (2) Driver's license number or Hawaii identification card number; or
 - (3) Account number, credit or debit card number, access code, or password that would permit access to an individual's financial information.

Personal information does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

"Technological safeguards" means the technology and the policy and procedures for use of the technology to protect and control access to personal information.

b. Confidentiality of Material.

- (1) All material given to or made available to the CONTRACTOR by the STATE by virtue of this Contract which is identified as personal information, shall be safeguarded by the CONTRACTOR and shall not be disclosed without the prior written approval of the STATE.
- (2) CONTRACTOR agrees not to retain, use, or disclose personal information for any purpose other than as permitted or required by this Contract.
- (3) CONTRACTOR agrees to implement appropriate "technological safeguards" that are acceptable to the STATE to reduce the risk of unauthorized access to personal information.
- (4) CONTRACTOR shall report to the STATE in a prompt and complete manner any security breaches involving personal information.
- (5) CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is known to CONTRACTOR because of a use or disclosure of personal information by CONTRACTOR in violation of the requirements of this paragraph.
- (6) CONTRACTOR shall complete and retain a log of all disclosures made of personal information received from the STATE, or personal information created or received by CONTRACTOR on behalf of the STATE.

c. Security Awareness Training and Confidentiality Agreements.

- (1) CONTRACTOR certifies that all of its employees who will have access to the personal information have completed training on security awareness topics relating to protecting personal information.
- (2) CONTRACTOR certifies that confidentiality agreements have been signed by all of its employees who will have access to the personal information acknowledging that:
 - (A) The personal information collected, used, or maintained by the CONTRACTOR will be treated as confidential;
 - (B) Access to the personal information will be allowed only as necessary to perform the Contract; and
 - (C) Use of the personal information will be restricted to uses consistent with the services subject to this Contract.

d. Termination for Cause. In addition to any other remedies provided for by this Contract, if the STATE learns of a material breach by CONTRACTOR of this paragraph by CONTRACTOR, the STATE may at its sole discretion:

- (1) Provide an opportunity for the CONTRACTOR to cure the breach or end the violation; or

- (2) Immediately terminate this Contract.

In either instance, the CONTRACTOR and the STATE shall follow chapter 487N, HRS, with respect to notification of a security breach of personal information.

e. Records Retention.

- (1) Upon any termination of this Contract or as otherwise required by applicable law, CONTRACTOR shall, pursuant to chapter 487R, HRS, destroy all copies (paper or electronic form) of personal information received from the STATE.
- (2) The CONTRACTOR and any subcontractors shall maintain the files, books, and records that relate to the Contract, including any personal information created or received by the CONTRACTOR on behalf of the STATE, and any cost or pricing data, for at least three (3) years after the date of final payment under the Contract. The personal information shall continue to be confidential and shall only be disclosed as permitted or required by law. After the three (3) year, or longer retention period as required by law has ended, the files, books, and records that contain personal information shall be destroyed pursuant to chapter 487R, HRS or returned to the STATE at the request of the STATE.

State of Hawaii
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
SALARY SCHEDULE

Effective Date: 03/01/2009
Bargaining Unit: 01 Blue Collar, Non-Supervisor

BC01	ANN MON 8HR HRLY	A 32,772 2,731 126.08 15.76	BC09	ANN MON 8HR HRLY	A 44,544 3,712 171.36 21.42	WS01	ANN MON 8HR HRLY	A 33,960 2,830 130.64 16.33	WS09	ANN MON 8HR HRLY	A 47,268 3,939 181.84 22.73
BC02	ANN MON 8HR HRLY	33,228 2,769 127.84 15.98	BC10	ANN MON 8HR HRLY	46,236 3,853 177.84 22.23	WS02	ANN MON 8HR HRLY	35,544 2,962 136.72 17.09	WS10	ANN MON 8HR HRLY	48,960 4,080 188.32 23.54
BC03	ANN MON 8HR HRLY	34,164 2,847 131.44 16.43	BC11	ANN MON 8HR HRLY	47,928 3,994 184.32 23.04	WS03	ANN MON 8HR HRLY	36,576 3,048 140.64 17.58	WS11	ANN MON 8HR HRLY	50,856 4,238 195.60 24.45
BC04	ANN MON 8HR HRLY	35,544 2,962 136.72 17.09	BC12	ANN MON 8HR HRLY	49,764 4,147 191.44 23.93	WS04	ANN MON 8HR HRLY	38,052 3,171 146.32 18.29	WS12	ANN MON 8HR HRLY	52,704 4,392 202.72 25.34
BC05	ANN MON 8HR HRLY	36,960 3,080 142.16 17.77	BC13	ANN MON 8HR HRLY	51,576 4,298 198.40 24.80	WS05	ANN MON 8HR HRLY	39,576 3,298 152.24 19.03	WS13	ANN MON 8HR HRLY	54,672 4,556 210.24 26.28
BC06	ANN MON 8HR HRLY	38,436 3,203 147.84 18.48	BC14	ANN MON 8HR HRLY	53,532 4,461 205.92 25.74	WS06	ANN MON 8HR HRLY	41,160 3,430 158.32 19.79	WS14	ANN MON 8HR HRLY	56,748 4,729 218.24 27.28
BC07	ANN MON 8HR HRLY	39,972 3,331 153.76 19.22	BC15	ANN MON 8HR HRLY	55,560 4,630 213.68 26.71	WS07	ANN MON 8HR HRLY	42,816 3,568 164.64 20.58	WS15	ANN MON 8HR HRLY	58,884 4,907 226.48 28.31
BC08	ANN MON 8HR HRLY	41,592 3,466 160.00 20.00				WS08	ANN MON 8HR HRLY	44,508 3,709 171.20 21.40			

Years 2010 and 2011

Holidays to be Observed by the HAWAII STATE GOVERNMENT

www.hawaii.gov/hrd

Website where State Holiday Schedule posted.

Compiled by the State Department of Human Resources Development, created 6/2009. Accurate as of date of compilation. For use by State government agencies. See footnotes for more information. Sources: Hawaii Revised Statutes as amended; State Constitution as amended; and the Reference Desk of the Hawaii State Library.

YEAR 2010 HAWAII STATE HOLIDAYS

<u>(Hawaii Revised Statutes, Sec. 8-1)</u>	<u>Day Observed in 2010</u>	<u>Official Date Designated in Statute/Constitution</u>
New Year's Day	Jan. 1 Friday	The first day in January
Dr. Martin Luther King, Jr. Day	Jan. 18 Monday	The third Monday in January
Presidents' Day	Feb. 15 ... Monday	The third Monday in February
Prince Jonah Kuhio Kalaniana'ole Day ...	Mar. 26 ... Friday	The twenty-sixth day in March
Good Friday	Apr. 2 Friday	The Friday preceding Easter Sunday
Memorial Day	May 31 ... Monday	The last Monday in May
King Kamehameha I Day	June 11 ... Friday	The eleventh day in June
Independence Day	July 5 Monday	The fourth day in July
Statehood Day	Aug. 20 .. Friday	The third Friday in August
Labor Day	Sept. 6 Monday	The first Monday in September
General Election Day	Nov. 2 Tuesday	The first Tuesday in Nov. following the first Monday of even-numbered years. <i>(Hawaii State Constitution, Article 2 – Section 8)</i>
Veterans' Day	Nov. 11 ... Thursday ...	The eleventh day in November
Thanksgiving	Nov. 25 ... Thursday ...	The fourth Thursday in November
Christmas	Dec. 24 ... Friday	The twenty-fifth day in December
2011 New Year's Day	Dec. 31 ... Friday	The first day in January

YEAR 2011 HAWAII STATE HOLIDAYS

<u>(Hawaii Rev. Statutes, Sec. 8-1)</u>	<u>Day Observed in 2011</u>	<u>Official Date Designated in Statute/Constitution</u>
2011 New Year's Day	Dec. 31, 2010 Friday	The first day in January
Dr. Martin Luther King, Jr. Day	Jan. 17 Monday	The third Monday in January
President's Day	Feb. 21 ... Monday	The third Monday in February
Prince Jonah Kuhio Kalaniana'ole Day ...	Mar. 25.... Friday	The twenty-sixth day in March
Good Friday	Apr. 22 ... Friday	The Friday preceding Easter Sunday
Memorial Day	May 30 ... Monday	The last Monday in May
King Kamehameha I Day	June 10 ... Friday	The eleventh day in June
Independence Day	July 4 Monday	The fourth day in July
Statehood Day	Aug. 19 .. Friday	The third Friday in August
Labor Day	Sept. 5 Monday	The first Monday in September
Veterans' Day	Nov. 11 ... Friday	The eleventh day in November
Thanksgiving	Nov. 24 ... Thursday ...	The fourth Thursday in November
Christmas	Dec. 26 ... Monday	The twenty-fifth day in December

FOOTNOTES: Hawaii Revised Statutes (HRS) 8.2 requires holidays that fall on Saturdays to be observed on the preceding Friday, and holidays that fall on Sundays to be observed on the following Monday. Due to 2011 New Year's Day falling on Saturday January 1, HRS 8.2 requires it to be observed the preceding Friday in 2010. As of September 2001, these are the legal holidays defined in the HRS to be observed by the State, the State Judiciary, and county governments in Hawaii. Federal government and local banking holidays differ. Public school "breaks" are not included. For State agencies that operate on other than Monday-Friday schedules, also refer to appropriate collective bargaining agreements. Election days are established by the State Constitution. This list does not reflect State furlough dates. Created 6/17/2009.

ATTACHMENT C**Furlough Calendar for: Hawaii Public Housing Authority ***

October 2009						
Su	M	T	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Holiday: None

November 2009						
Su	M	T	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Holiday: November 11 & 26
Veterans' Day & Thanksgiving

December 2009						
Su	M	T	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Holiday: December 25
Christmas

January 2010						
Su	M	T	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Holiday: January 1 & 18
New Year's Day & Dr. Martin
Luther King, Jr. Day

February 2010						
Su	M	T	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						

Holiday: February 15
President's Day

March 2010						
Su	M	T	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Holiday: March 26
Prince Jonah Kuhio
Kalaniana'ole Day

April 2010						
Su	M	T	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	



Holiday: April 2
Good Friday

May 2010						
Su	M	T	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Holiday: May 31
Memorial Day

June 2010						
Su	M	T	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Holiday: June 11
King Kamehameha I Day

 = Furlough day when office will be closed
 = State Holiday

* Internally manage the 1 remaining furlough day on a branch by branch basis

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